

Government that Works!

NEW JERSEY DEPARTMENT OF THE TREASURY

LOCAL GOVERNMENT BUDGET REVIEW

EWING TOWNSHIP

JANUARY, 2002



GOVERNMENT THAT WORKS

OPPORTUNITIES FOR CHANGE

The Report of the Township of Ewing

New Jerseyans deserve the best government their tax dollars can provide. Efficiency in government and a common sense approach to the way government does business, both at the state and at the local level, are important to Acting Governor Donald T. DiFrancesco. It means taxpayers should get a dollar's worth of service for every dollar they send to government, whether it goes to Trenton, their local town hall or school board. Government on all levels must stop thinking that money is the solution to their problems and start examining how they spend the money they now have. It is time for government to do something different.

Of major concern is the rising cost of local government. There is no doubt that local government costs and the property taxes that pay for them have been rising steadily over the past decade. The Local Government Budget Review (LGBR) program was created in 1994 by former Governor Whitman, marking the first time the state worked as closely with towns to examine what is behind those costs. The Local Government Budget Review (LGBR) program's mission is simple: to help local governments and school boards find savings and efficiencies without compromising the delivery of services to the public.

The LGBR program utilizes an innovative approach combining the expertise of professionals, primarily from the Departments of Treasury, Community Affairs and Education, with team leaders who are experienced local government managers. In effect, it gives local governments a comprehensive management review and consulting service provided by the state at no cost to them. To find those "cost drivers" in local government, teams review all aspects of local government operation, looking for ways to improve efficiency and reduce costs.

In addition, teams also document those state regulations and mandates which place burdens on local governments without value-added benefits and suggest, on behalf of local officials, which ones should be modified or eliminated. Teams also look for "best practices" and innovative ideas that deserve recognition and that other communities may want to emulate.

Based upon the dramatic success of the program and the number of requests for review services, in July, 1997, the program was expanded, tripling the number of teams in an effort to reach more

communities and school districts. The ultimate goal is to provide assistance to local government that results in meaningful property tax relief to the citizens of New Jersey.

THE REVIEW PROCESS

In order for a town, county or school district to participate in the Local Government Budget Review program, a majority of the elected officials must request the help of the review team through a resolution. There is a practical reason for this: to participate, the governing body must agree to make all personnel and records available to the review team, and agree to an open public presentation and discussion of the review team's findings and recommendations.

As part of each review, team members interview each elected official, as well as, employees, appointees, members of the public, contractors and any other appropriate individuals. The review teams examine current collective bargaining agreements, audit reports, public offering statements, annual financial statements, the municipal code and independent reports and recommendations previously developed for the governmental entities, and other relative information. The review team physically visits and observes the work procedures and operations throughout the governmental entity to observe employees in the performance of their duties.

In general, the review team received full cooperation and assistance of all employees and elected officials. That cooperation and assistance was testament to the willingness, on the part of most, to embrace recommendations for change. Those officials and employees who remain skeptical of the need for change or improvement will present a significant challenge for those committed to embracing the recommendations outlined in this report.

Where possible, the potential financial impact of an issue or recommendation is provided in this report. The recommendations do not all have a direct or immediate impact on the budget or the tax rate. In particular, the productivity enhancement values identified in this report do not necessarily reflect actual cash dollars to the municipality, but do represent the cost of the entity's current operations and an opportunity to define the value of improving upon such operations. The estimates have been developed in an effort to provide the entity an indication of the potential magnitude of each issue and the savings, productivity enhancement, or cost to the community. We recognize that all of these recommendations cannot be accomplished immediately and that some of the savings will occur only in the first year. Many of these suggestions will require negotiations through the collective bargaining process. We believe, however, that these estimates are conservative and achievable.

**LOCAL GOVERNMENT BUDGET REVIEW
EXECUTIVE SUMMARY
EWING TOWNSHIP**

Governing Body

The team recommends that the part-time governing body members waive their right to receive health benefits coverage, saving \$16,464.

Municipal Clerk

The township should consider raising liquor license fees to the statutory limit, yielding a revenue enhancement of \$4,500.

Technology

The team recommends that the township provide network training to the two police officers that spend the majority of their time on technology issues, at a one-time expense of \$5,000.

Purchasing

By joining an existing purchasing cooperative or solicit interest in creating a shared/joint purchasing arrangement, both with bulk purchasing discounts, the township could save \$50,000.

Tax Collection

The team recommends that the township evaluate the staffing level of the tax collection office and consider eliminating one senior clerk position, saving \$33,358 in salary and benefits.

The team also recommends that the township discontinue the use of an armored car service and use a municipal employee escorted by a uniformed police officer instead, for a savings of \$7,296.

Police

The township should consider replacing the uniformed information officers with civilian employees, saving \$112,020 in salary and benefits.

The township should also consider reducing the planning and training position from a lieutenant to a sergeant, for an additional savings of \$9,688.

The team recommends that the township eliminate one officer from the community-policing unit and hire a civilian employee to complete the non-police duties, saving \$47,210 in salary and benefits.

The team also recommends that the township downgrade the supervisory level in the traffic services function to a sergeant level, for an additional savings of \$9,688.

By utilizing a sergeant to oversee records and media relations as opposed to a lieutenant, the township could save \$9,688.

The township should consider purchasing and installing the report writing program on the patrol laptops, at a one-time expense of \$7,500.

The team recommends that the township utilize a sergeant to oversee the property and evidence functions instead of a lieutenant, saving \$9,688.

Municipal Court

By eliminating the practice of allowing court employees to leave work early on days in which there are evening court sessions, the township could yield a productivity enhancement of \$4,186.

The township should consider entering into a formal agreement with the judge that clearly delineates the benefits and conditions of employment. By discontinuing the benefits package for this position, the township could save \$8,232.

The team recommends that the court transfer the interest presently in the various accounts to the township as revenue, for a one-time revenue enhancement of \$3,273.

The court should look to dispose of forfeited bail moneys from the bail account and utilize those moneys as court revenue, yielding a revenue enhancement of \$31,064.

By utilizing one of the three options outlined in the report, the township could reduce the amount of money due as a result of delinquent time payment accounts, for a one-time revenue enhancement of \$446,568 - \$608,956. Once the issue of delinquent time payment accounts is addressed, the team recommends that the township eliminate one position from the present court staffing, saving \$37,000 in salary and benefits.

Municipal Prosecutor and Public Defender

The court should closely monitor the Application to Establish Indigence (Form 5A) and assess a fee to those applicants who have the ability to pay for the public defender services, yielding a revenue enhancement of \$8,200.

Fire Department

The team recommends that the township hire two additional firefighters instead of three, at an expense of \$114,738 in salary and benefits.

The team also recommends that the township reduce the number of pumpers from eight to six, yielding a one-time revenue enhancement of \$60,000 from the sale of the pumpers. The township could also realize a cost avoidance of \$800,000 to \$900,000, the cost of not having to replace two pumpers.

After reducing the number of pumpers from eight to six, the team recommends that the township purchase a passenger vehicle for each of the three companies to transport volunteers, at a one-time expense of \$75,000.

By moving the Prospect Heights Fire Company and the township apparatus to the Pennington Road Firehouse, the township could save \$39,041.

Emergency Medical Services (EMS)

The township should consider implementing a full paid EMS service and a resource recovery system to help offset the costs of the services being provided, saving \$104,821.

Public Works

The team recommends that when the current business administrator leaves the township's employ, the township should create a new department management structure with a full-time public works director and one operational superintendent, saving \$76,675 in salary and benefits.

The team recommends that the township purchase and utilize a computerized work order system, at a one-time expense of \$4,500. The improved efficiency should help reduce supply and contract costs by 5%, saving \$2,090.

By entering into a utility rate and billing error review contract, and by seeking competitive pricing for natural gas and electricity, the township could save \$33,600.

The team recommends that the township either restructure routes to ensure that employees work close to a full day or contract out for the collection services, saving \$108,400 - \$254,058.

The team recommends that the township purchase and utilize a fleet maintenance program, at a one-time expense of \$5,000.

Construction Code Enforcement Division

By instituting a fee for re-inspections, the township could yield a revenue enhancement of \$10,725.

Planning Board and Zoning Board of Adjustment

The township should consider implementing a zoning permit and fee to cover associated costs, yielding a revenue enhancement of \$28,975.

The township should also consider amending their ordinance to allow municipal employees to charge their time reviewing planning and zoning applications to the developer's escrow account, yielding an additional revenue enhancement of \$1,500.

Health Division

The team recommends that the township hire a part-time employee to assist with clerical functions, at an expense of \$10,400.

The township should consider either contracting out for animal control services, or enter into an inter-local service agreement with another municipality, saving \$63,247.

The team recommends that the township reassess its animal census techniques to ensure that all dogs are properly licensed, yielding a revenue enhancement of \$5,000. The team also recommends that the township implement a cat licensing and registration program, for an additional revenue enhancement of \$18,600.

Collective Bargaining Issues

By negotiating a 10% co-pay with employees for the health benefit costs of family members, the township could yield a potential revenue enhancement of \$61,139.

The team recommends that the township switch its prescription plan to the State Health Benefits Plan (SHBP), or negotiate a co-pay arrangement, potentially saving \$143,172.

By negotiating to eliminate the direct payment to officers for maintenance and replacement of uniforms and making the township responsible for this function, the township could potentially save \$56,250.

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COMMUNITY OVERVIEW

Ewing Township is one of 13 municipalities in Mercer County and is located approximately 35 miles and 60 miles from the centers of Philadelphia and New York City, respectively. It is bordered by the City of Trenton to the south, Lawrence Township to the east, Hopewell Township to the north, and the Delaware River to the west. The township was officially established in February, 1834.

The township has been a relatively stable community during its recent past, with only slight variations in its population (both increases and decreases). According to U.S. Census figures, the township has a year 2000 population of 35,707. This compares to figures of 34,185, 34,842 and 32,831 for the years of 1990, 1980 and 1970 respectively.

The township is approximately 15.6 square miles in area, with land area encompassing approximately 15.33 miles. According to the township's official website, there are 12,081 housing units within the municipality. The median housing value is approximately \$125,000 and the median rent is \$700 per month. According to The New Jersey Municipal Data Book (1999), the township's 1996 real property valuation was 71.61% residential, 21.21% commercial, 4.01% apartments, 1.90% industrial, 1.24% vacant, and 0.03% farmland. The township's net valuation taxable has remained relatively constant over the past five years, with a year 2000 valuation of \$1,709,470,000.

Besides being mainly a residential community, the township has a considerable amount of commercial establishments and governmental institutions within its borders. The township's main commercial area is located on Olden Avenue, where shoppers enjoy a wide range of services and establishments. Some of the state and county institutions located within the township's borders include the Trenton Psychiatric Hospital, the College of New Jersey (formally Trenton State College), the Katzenbach School for the Deaf, the State Department of Transportation, the State Distribution Center, the Mercer County Airport, the Mountain View Golf Course, and the Mercer County Road Maintenance Facility.

The township's budget is administered on a fiscal year (July 1st through June 30th). The fiscal year (FY) 2000 budget (as modified by transfers) was \$30,178,844, while the FY 1999 budget was \$30,740,652 and the FY 1998 budget was \$29,890,703. The municipal tax rate was \$0.38 out of a total tax rate of \$3.09.

The review team received total cooperation from the municipal staff during the course of this review process. Throughout the process, the team was routinely impressed with the professionalism, competency, and commitment of the municipal staff and elected officials. Although this report points out some instances of inefficiency and opportunities to reduce costs or enhance revenues, we do feel that the elected officials, administration, and municipal staff are truly and genuinely concerned for the well-being of the township, trying to maintain costs and property taxes, and striving to provide the high-quality services that the residents of Ewing have come to expect.

I. BEST PRACTICES

A very important part of each Local Government Budget Review (LGBR) report is the Best Practices section. During the course of every review, each review team identifies procedures, programs, and practices, which are noteworthy and deserving of recognition. Best Practices are presented to encourage replication in communities and schools throughout the state. By implementing these practices, municipalities and school districts can benefit from the Local Government Budget Review process and, possibly, save considerable expense on their own.

Just as we are not able to identify every area of potential cost savings, the review team cannot cite every cost-effective effort. The following are those “best practices” recognized for cost and/or service delivery effectiveness.

As you read this report, you will note that Ewing is commended numerous times for its practices and policies. Below are the highlights of those practices deemed as most outstanding.

Codebook

Towards the end of the review process, the municipality was successful in posting the codebook online on the township’s official website. This step has made the municipal government much more accessible to the residents of Ewing.

Budget Committee

During the past two years, budget requests have been reviewed by a budget committee consisting of the administrator, chief financial officer (CFO), and three department/division heads. This is done so that there will be more input into the budget process and so that department/division heads have a better understanding as to how the process works and as to how certain budgetary decisions are made. According to the business administrator, the program has been an overwhelming success.

Citizen Police Academy

The citizen police academy is a wonderful initiative that really helps build relationships between the police officers and the community. It is a 10-week program in which residents are provided with a detailed look into the workings of the department. In addition to providing residents with information about the police department, the officers are able to meet numerous concerned residents and discuss any problems that might be occurring in their neighborhood.

Domestic Violence Response Team

The unit was in the beginning stages of creating a domestic violence response team. The members of this team will be volunteer residents who will be utilized to go over the victim’s rights and give advice and resources to victims of domestic violence. This results in victims getting the support that they need without having to take uniformed officers from their normal duties. In addition, it is felt that victims would feel less intimidated talking to their peers rather than to uniformed officers.

Global Positioning System (GPS)

The township's patrol vehicles are equipped with a GPS system that shows where police vehicles are at all times. This provides supervisors with another method to monitor the patrolmen and it acts as an additional form of security for police officers.

Community Emergency Response Team (CERT)

At time of review, the office of emergency management (OEM) was developing a unique partnership with township residents through its newly formed community emergency response team (CERT). OEM personnel have recognized that following a major disaster, first responders (i.e. police, fire, and EMS personnel) may not be able to meet the demand for services. As such, CERT members will be utilized to provide valuable assistance and support during major disasters.

Contractor Licensing

The township requires that all contractors performing work within the municipality be licensed within the municipality. This allows the township to receive information on the contractor in case any problems surface as a result of the subcode inspections or resident complaints.

Site Review Committee

The purpose of this committee is to streamline the planning and zoning approval process and promote the community's "business friendly" attitude. Simply stated, a developer does not have to prepare fully engineered plans or submit an application until they are scheduled for a public hearing. Instead, the developer appears before the site review committee with a concept plan. This plan is then reviewed and discussed by the committee members. As a result, issues or concerns are addressed in the beginning of the process and the developer receives valuable input and advice.

II. OPPORTUNITIES FOR CHANGE/FINDINGS AND RECOMMENDATIONS

The purpose of this section of the review report is to identify opportunities for change and to make recommendations that will result in more efficient operations and financial savings to the municipality and its taxpayers.

In its study, the review team found the municipality makes a conscious effort to control costs and to explore areas of cost saving efficiencies in its operations. Many of these are identified in the Best Practices section of this report. Others will be noted as appropriate in the findings to follow. The municipality is to be commended for its efforts. The review team did find areas where additional savings could be generated and has made recommendations for change that will result in reduced costs or increased revenue.

Where possible, a dollar value has been assigned to each recommendation to provide a measure of importance or magnitude to illustrate cost savings. The time it will take to implement each recommendation will vary. It is not possible to expect the total projected savings to be achieved in a short period of time. Nevertheless, the total savings and revenue enhancements should be viewed as an attainable goal. The impact will be reflected in the immediate budget, future budgets, and the tax rate(s). Some recommendations may be subject to collective bargaining considerations and, therefore, may not be implemented until the next round of negotiations. The total savings will lead to a reduction in tax rates resulting from improvements in budgeting, cash management, cost control and revenue enhancement.

One of the fundamental components of the team's analysis is identifying the true cost of a service. To this end, the team prepares a payroll analysis that summarizes personnel costs by function and attributes direct benefit costs to the salary of each individual. This figure will always be different from payroll costs in the budget or in expenditure reports because it includes health benefits, social security, pension, unemployment and other direct benefit costs.

GOVERNING BODY

The Township of Ewing operates under the mayor – council form of government, pursuant to the Optional Municipal Charter Law (N.J.S.A. 40:69A-1 et. seq.). There is a part-time mayor and five at-large council members.

The mayor is elected to a four-year term and is the chief executive officer of the township. The mayor is responsible for overseeing the operation of the administration and implementing township services and programs. At time of the review, the mayor was also serving as the director of public safety, as is allowed by township code. During FY 2000, the mayor received a salary of \$11,500 and declined the option of taking part in the township's health benefit plan.

The township council is the township's legislative body. The council is responsible for approving the township budget and creating and maintaining local ordinances. The council holds

its public meetings on the second and fourth Tuesdays of every month at 7:00 p.m. The first half-hour of the meeting on the fourth Tuesday is set aside for reports and issues from the Health Officer, as the township council also acts as the township's board of health.

The council members are elected to four-year terms, with two or three members being elected every two years. During FY 2000, the council president, who is elected by the other council members at the annual organizational meeting, received a salary of \$6,685 and the other council members received a salary of \$5,570. According to payroll records compiled by the review team, three council members declined the option of taking part in the township's health benefit plan, while two members received the benefit at a total cost of approximately \$16,464 or \$8,232 per person.

Recommendation:

As is standard LGBR policy, we recommend that the remaining part-time governing body members consider waiving their right to receive municipally funded health benefit coverage.

Cost Savings: \$16,464

Organization

During the course of the review process, the township underwent a change in its organizational structure. It went from a three department organizational structure to a four department organizational structure. The township decided that it was in the best interest of the municipality to create a department of community and economic development that focuses on all development and construction issues of the township.

The following list represents the four department organizational structure of the township. All functions not listed, such as municipal court and municipal clerk, are organizationally structured under the mayor and township council.

Department of Administration, Finance, and Public Works

- Division of Administration
 - Includes the business administrator's office, the budget process, purchasing oversight, personnel, and affirmative action.
- Division of Finance
 - Includes the finance/treasurer's office, tax collection, tax assessment, tax searcher, and payroll.
- Division of Public Works
 - Includes the roads division, recreation maintenance, and sanitation services
- Township Engineer

Department of Public Safety

- Police Department
- Fire Department
- Emergency Medical Services
- Office of Emergency Management

Department of Community Services

- Recreation
- Health & Welfare
- Senior Citizen Services
- Ewing Community Center

Department of Community and Economic Development

- Construction Code Enforcement
- Building Inspection
- Planning
- Zoning Code Enforcement
- Fire Prevention

MUNICIPAL CLERK

The municipal clerk's office is staffed with four full-time employees and is under the direction of the township clerk. The other positions include a deputy township clerk, who also serves as the registrar of vital statistics, a principal clerk typist and a clerk typist. The municipal clerk's office's duties include being responsible for the custody of all municipal records and documents, managing Election Day activities and voter registration, processing various municipal permits or licenses, and being a focal point of contact with citizens who have various inquiries into the local government process. Finally, the office acts as correspondent to the elected governing body and is responsible for preparing the agenda and recording minutes for all council meetings.

Financial

During FY 2000, the total salary and benefit costs for the office were approximately \$164,519. Other expenses for the office, not including that for elections, totaled \$29,541.

Fees

During FY 2000, the clerk's office collected \$30,914 in liquor licenses and \$38,521 associated with various other fees, permits, and licenses. Additionally, \$4,120 was collected in association with vital statistics. The fee ordinance was reviewed and revised in 1995 by the new administration to adjust for changes made with regard to statutory requirements. The review team conducted a survey of surrounding municipalities and found that the township, in most cases, compares favorably to those fees being charged by their counterparts.

In reviewing the fees assessed to liquor license holders, the review team felt that the amounts being assessed were rather low, when compared to what could be charged by statute. While the fees assessed in Ewing were not the lowest, there were towns in their surrounding area that charged the maximum amount allowed by statute to help offset some of the costs that were incurred by the municipality as a result of these establishments (i.e., additional police calls for service). The specific fees associated with liquor licenses were recently reviewed and updated during 1998.

According to statute, the maximum fee for plenary retail consumption and distribution licenses is \$2,000 and the maximum fee for club licenses are \$150. The fees in Ewing for plenary retail consumption and distribution licenses are \$1,118 and \$745 respectively, while the club license is at the statutory maximum of \$150. Although the statute cites a maximum fee, it only allows for a 20% increase in the current fees each year until the maximum is reached. If the township were to raise their fees the maximum amount of 20%, the additional revenue to the township would be approximately \$4,500.

Recommendations:

While the fees assessed by the clerk's office have been reviewed fairly recently and were not found to be significantly inconsistent with surrounding municipalities, the review team recommends that the township consider conducting an annual survey and review of all municipal fees and update those fees found to be inconsistent with its surrounding municipalities.

We recommend the township consider raising the fees assessed to liquor licenses to the statutory limits, in accordance with statutory procedure. If the township were to raise the fees by the allowable 20% next year, the revenue enhancement to the municipality would be approximately \$4,500.

Revenue Enhancement: \$4,500

Record Keeping

It was brought to the attention of the review team that the clerk's office has implemented a file system that records citizen complaints and issues that will go before the council for action. This initiative was implemented to ensure that council was aware of all issues that were brought to the municipality's attention and to help prioritize those issues deemed most urgent.

The township is commended for this approach to ensure that all issues brought to the municipality's attention are submitted to the governing body for review and consideration.

Over the past three years, the office has tried to clean and reorganize the vault area so that office personnel would be more efficient in the retrieval and location of historical data and documents. Additionally, the clerk was in the process of creating a records management policy that would direct what records were needed to be stored and for how long. Finally, once the system of cleaning and reorganizing the vault area was complete and a records management policy was implemented, the clerk would like to train the office personnel in the area of records management so that the system can be properly maintained and records can be efficiently retrieved.

Recommendation:

It is recommended that the clerk's office continue to make the reorganization of files and the development of a records management policy a priority initiative of the office.

Codebook

The township last re-codified the municipal codebook in December, 1998 at a cost to the municipality of approximately \$24,000. Included in this re-codification were significant changes in ordinances, resolutions, and fees, as well as revising and updating much of the language. As such, the municipal code appeared to be very well maintained, organized and up to date. Towards the end of the review process, the municipality was successful in posting the codebook online on the township's official website. This step has made the municipal government much more accessible to the residents of Ewing.

The township is commended for posting its codebook online on the township's website. We feel that this type of access for residents promotes more involvement and is worthy of being classified as a Best Practice.

ADMINISTRATION

The township employs a professional business administrator to be responsible for managing the day-to-day operations of the township and to be the director of the department of administration. The current administrator has been with the township in one capacity or another for over 25 years and has accumulated a lot of knowledge of the township and its workings. In addition to these duties, the administrator is also the director of public works and receives an additional stipend for the additional duties (these duties are discussed further in the public works section of the report).

Besides the business administrator, the administration function consists of a full-time administrative assistant, a full-time receptionist, a part-time program coordinator for municipal events, and various seasonal/summer employees. During FY 2000, there were salary and benefit costs of approximately \$262,552 in the general administration function. The other expenses for the general administration function were approximately \$160,954 during FY 2000.

The township has an automated telephone system that has the capability of directing people's calls to the proper office as a result of automated prompts. Currently, this system is only utilized after normal working hours, as the full-time receptionist directs these calls to the appropriate offices during the normal working hours. In addition to taking phone calls, the receptionist will provide information to residents who come to the municipal complex. While the review team fully understands the township wanting to provide an actual person for residents to deal with during the normal working hours, this does not come without a significant cost (the salary and benefit cost of a full-time employee). As such, we recommend the township at least consider the possibility of utilizing the phone system, as is done in many other municipalities, to direct calls during all hours of the day and transferring the receptionist into the finance office to assist with the functions of the office. Since there is so much pressure on keeping the tax rate low and reducing costs throughout municipal government, many municipalities are finding the services of a receptionist to be a luxury and not a necessity.

Recommendation:

It is recommended the township consider utilizing the automated phone system to direct calls for service throughout the entire day and transfer the receptionist to the finance office to assist with the functions of that office.

HEALTH BENEFITS

The township provides comprehensive medical benefits to its employees and families. Active employees are entitled to health benefit coverage, prescription coverage, dental benefits and vision benefits. During FY 2000, the total cost for employee insurance was \$1,717,647.

Medical Benefits

The township utilizes the New Jersey State Health Benefits Plan (NJSHBP) to provide comprehensive health benefit coverage to its employees and their dependants. The NJSHBP gives the employees a range of options to choose from (i.e., traditional coverage to Health Maintenance Organizations (HMO's)). The NJSHBP is the benchmark the LGBR program utilizes to assess the cost of the health benefit package. According to documents provided by the township, there were 220 active employees and 60 retired employees receiving benefits. The total cost for health benefits in FY 2000 was \$1,182,420. As compared to many other health benefit options, the NJSHBP is seen by the review team as being very comprehensive and relatively stable in its cost increases. As such, we recommend the township continue providing health benefit coverage to its employees and dependants through the NJSHBP.

Prescription Benefits

The township contracts with an outside agency to provide prescription drug coverage to its employees. According to documents provided by the township, there were 275 active and retired employees eligible to receive this benefit. The total cost of the program to the township was \$424,740 in FY 2000 or approximately \$1,445 per employee per year. Employees are required to pay a \$10 co-pay for all brand name prescription medication and a \$1 co-pay for all generic prescription medication. When compared to the NJSHBP with similar options, this plan is found to have very similar costs per employee.

Dental Benefits

Unlike the health and prescription benefits, the dental benefit provided to the township employees is in the form of reimbursement for services as opposed to comprehensive coverage. During FY 2000, the township would reimburse an employee up to \$750 in dental services, so long as the employee paid a \$50 co-pay. During FY 2000, the township paid a total of only \$49,566 to provide this benefit to its employees. Based upon the 220 active employees eligible for this benefit, the average cost per employee for the year is \$272.

The township should be commended for this cost-effective program of providing dental benefits to its employees.

Vision Benefits

Similar to the dental benefits provided by the township, vision benefits are provided to the employees in the form of a reimbursement program. The program provides each eligible employee to receive between \$115 and \$150 in reimbursement (depending on the labor agreement) for a vision examination and/or prescription lenses every two years. During FY 2000, the township paid \$9,489 for this benefit, or an average of only \$44 for each of the 220 active and eligible members.

The township is commended for this cost-effective program of providing vision care benefits to its employees.

INSURANCE

Property and Casualty Insurance

During the 1980's, the township was faced with escalating insurance costs and began investigating alternative methods of insurance. At that time, joint insurance funds (JIF's), where municipalities pool resources to limit exposure, were becoming more and more popular. Ewing investigated the possibility of joining a JIF, but they felt that their exposure to claims in the Mercer County JIF would be greater than if they continued to insure themselves. Additionally, the cost to join the JIF was greater than the amount of money they were paying in claims. As a result, the township remained self-insured for property and casualty insurance and continues to be self-insured to this day.

Being self-insured can be a cost-effective way for many municipalities to cover its property and casualty needs. This assumes that a municipality does not have to cover many larger claims. Ewing has been fortunate in that regard and has been able to keep its insurance costs fairly steady. The township utilizes a risk management consultant for worker's compensation claims, but does not utilize a consultant for general liability.

In performing a cursory analysis of this insurance area, the review team found that the township conducts proper analyses and review of claims, has adequate excess (umbrella) coverages in place for major claims, and has for the most part been adequately funding the insurance funds through the municipal budget. One area where the township is lacking is that it does not carry excess liability coverage for its public officials.

Recommendations:

It is recommended the township consider carrying excess liability coverage for its public officials.

It is recommended the township consider creating an insurance advisory committee to perform an in-depth analysis of its insurance policies, levels of coverage, costs, claims history, etc. This should be done to determine whether it is still advantageous to the

township to self-insure for property and casualty insurance or whether they should be investigating other insurance options, such as JIF's. This committee should consist of elected officials, municipal officials (i.e., business administrator and CFO), and township residents with an insurance background.

TECHNOLOGY

Technology provides local government entities with opportunities for savings such as improved productivity and staffing realignments. Without proper planning, coordination, and financial commitment, technology often becomes a costly re-occurring expense. The goal of management and office automation should be to use technology to promote a smarter and efficient organization while limiting the impact on resources.

The review team assessed the township's technology initiatives and found that while the township has a strong use of technology, it lacks coordination in application. Many of the departments are not connected to the network, some use different office packages, there are many employees who are in need of computer training, and there is a wide range of computers in use...ranging from older 486 machines to Pentium class computers.

The team believes that there are opportunities for savings in the creation of joint technology department between the municipality and school district. The review team does not feel that the township should stand alone in its management of technology, but neither do we recommend outsourcing because of the extensive use of technology and security issues found in the police department. The idea of creating a joint technology department with the school district is discussed in greater detail at the end of this section.

Staffing

Three police officers and the chief financial officer are basically responsible for handling all technology initiatives for the municipality. Two of the police officers are able to designate the majority of their time towards technology initiatives, while the chief financial officer and the supervising police officer work on technology initiatives when time is found around their normal schedule. There is also some utilization of outside vendors to provide specialized services when necessary.

There is not a clear delineation between the police department and the remaining municipal departments, as the officers will provide assistance to all departments when the chief financial officer is unable to respond to requests for service. Based on percentage time estimates, the team identified a salary cost of approximately \$176,312 associated with technology initiatives.

The use of officers as technology specialists is an innovative approach because of the incentives that the employees have to remain on staff, specifically, the retirement package available through the police and fireman's retirement system (PFRS). This retirement package enables the municipality to provide a long-term, consistent approach to the ever changing world of technology, rather than potentially facing a turn-over of civilian employees who may find better paying jobs in the private sector. Additionally, the salary paid to the officers is in the general

range of what would be needed to pay a fully qualified technology person, since there is such a demand for their services. The team recognizes that this approach only works when the township has talented employees and commits to proper training. Without question, the team feels the officers in the police department were capable of meeting the technology needs of the township, however, without formal training in network engineering and administration, these employees were unable to identify the security issue with the township's network.

Recommendation:

It is recommended the township provide network training to the two police officers that spend the majority of their time on technology issues. One officer should receive network engineering training and the other network administration training.

One-time Value Added Expense: \$5,000

Expenditures

In general, the team has difficulty in determining technology expenditures because municipalities often charge expenses to departments instead of one general account. The township charges technology to both department accounts and to the capital project fund. According to the fund summary, the municipality expended \$74,020 for FY 2000 and encumbered \$63,207 for the first five months of FY 2001.

Infrastructure

The township has four servers, one in the municipal side of the facility and the remaining three in the police department. The entire building has Category 5 wiring and two fiber optic cables that run between the police department and the municipal side of the building. There are two primary computer rooms that house the servers and necessary support equipment. Both rooms have insulated floors and backup power supplies. The municipal departments have limited email capabilities through the township's Internet Service Provider.

The township performs routine tape backups, but does not store the tapes in a secure safe. The team also found the police 911 system operated on 10-year old computers. Furthermore, while the township did not have an inventory on file, an impromptu assessment by the municipality found at least 35 computers that are outdated and without service contracts.

Technology Committee and Plan

The town informed the team that they have neither a technology committee nor a plan to guide the municipality with technology issues and initiatives. A technology committee, consisting of municipal employees, community businesspersons and community residents would provide valuable assistance to the township in developing and maintaining technology initiatives. The committee would have the responsibility to produce a plan that provides municipal officials and the community with documentation of coordinated technology activities and should include a budget that outlines technology expenditures for 3-5 years. The first job of a technology committee, however, would be to perform a needs-assessment survey of the municipality's technology system. A needs-assessment survey involves a detailed study of each department and its employees and provides the township with the necessary data to coordinate office automation initiatives.

Recommendation:

It is recommended that the township create a technology committee to guide the municipality with its technology initiatives and issues. The committee's first responsibility should be to perform a needs-assessment survey and develop a technology plan with a 3-5 year budgetary impact statement. Specifically, this plan should address the training weaknesses and infrastructure problems discussed earlier in this section. Additionally, this committee should work with the municipal officials to determine the appropriate funding levels for technology initiatives for all municipal departments and divisions.

Had the municipality performed a needs-assessment under a technology committee, many of the inefficiencies the team found would have been identified. For example:

- The team found numerous paper processes at the police dispatch window for finger printing, civil complaints, gun permits and messages even though the receptionist has access to a computer complete with a database package.
- The court individually prints envelopes for payment plans and maintains a supplemental manual ledger of outstanding fines.
- The personnel office uses an older personnel system that does not interface with departments for electronic timesheet reporting. Subsequently, every department has a different procedure for tracking and reporting employee time usage. The team was impressed with the employee tracking and reporting system in the police department.
- The clerk's office expended over \$18,000 in microfilming and plans to purchase a filming machine. The office was not familiar with the opportunities of digital imaging and potential shared services with other municipalities regarding record management.
- While the team found one computer in the area of public works, none of the work processes in the department were computerized to help determine the true costs of projects and whether the services provided were cost-effective when compared to other municipalities and/or the private sector. In order to assist the department in computerizing its work processes, the team provided the superintendent with a work order program that was developed by the LGBR program and distributed free of charge to interested government entities.

Policies and Procedures

Policies and procedures establish guidelines for employees using township technology. It also protects the township from costly litigation generated by inappropriate use of E-mail, the Internet, or computer resources. Furthermore, the Division of Archives and Record Management considers all data stored on municipal and school computers, including E-mail, public information and therefore must comply with the laws governing storage and public access.

The township is currently in the process of writing policies and procedures that will cover technology use. One draft is modeled after the State of New Jersey's policy, while the other policy is modeled after the policy found in a nearby police department. At time of review, neither policy had been adopted. It was reported to the team that governing body's concern surrounding enforcement of the policy was contributing to the delay. The review team feels that

enforcement issues should not delay policy adoption, as we feel a formal policy should be based on an honor system with appropriate discipline action for found violations. Before being finally adopted, the policy should be reviewed by the township solicitor.

Recommendation:

It is recommended that the township work towards completing and adopting specific policies and procedures outlining acceptable technology usage.

Internet

In 1997, the municipality procured 256Kbs Internet access and web services through an Internet Service Provider. The initial hardware investment was \$4,214 with estimated annual fees of \$9,258. The service included Internet access, web site hosting, and 30 E-mail accounts. Originally, the township relied on the Internet Service Provider for firewall security, however after an unauthorized access attempt, the police integrated a router and in-house firewall. At the time of the review, the township was also in the process of establishing a firewall for their side of the building.

Shared Service Opportunity

In general, technology usage and needs are very similar in both local governments and local boards of education. There will be variances regarding software applications for specialized functions student scheduling and transportation, but there will also be numerous areas where software applications are essentially the same (i.e., operating systems, word processing, databases, and spreadsheets). Additionally, there is not much difference in the hardware needed for network construction.

The municipal building and the board of education property are relatively close in proximity and this close proximity provides both government entities with an opportunity to merge technology operations and share services. The LGBR unit had the opportunity to discuss technology with both the school and municipality and believes both would benefit by creating a shared department in which the school district takes the lead since schools are better equipped with staffing and resources.

A shared technology department would allow both entities to benefit from increased purchasing power, network administration and training. There are resources available from the State of New Jersey's Department of Community Affairs to communities that investigate and implement shared service opportunities (REDI & REAP Programs).

Recommendations:

It is recommended the township consider initiating communication with the board of education concerning a shared technology department.

It is recommended the township solicit information from the State of New Jersey's Department of Community Affairs concerning the possibility of receiving funding for investigating and/or implementing a shared technology department.

LEGAL

To deal with the township's legal issues, the township retains the services of a township attorney, a special counsel, a special litigation attorney, a labor attorney, a bond counsel, a rent control attorney, a planning board attorney, a board of adjustment attorney, a municipal prosecutor and a public defender. The services of the municipal prosecutor and public defender are addressed in the municipal court section of this report, while the planning board attorney and board of adjustment attorney are addressed in the planning section.

None of the attorneys retained by the municipality are employees of the township. They do not receive social security, pension, Medicare or health benefits and are paid through the voucher system. The township requires all legal staff to have professional liability insurance.

The township is commended for reducing costs by not providing benefits to any of its legal staff and for requiring that all of the legal professionals have the appropriate professional liability insurance.

Financial

In FY 2000, the township expended more than \$177,000 in legal services, excluding those attorneys discussed in other areas of this report. The following chart represents the actual expenses for the fiscal year.

Township Attorney	\$110,212
Special Counsel/Defense Attorney	\$4,284
Special Litigation Counsel	\$9,717
Labor Attorney	\$19,508
Rent Control Board Attorney	\$5,000
Other Special Counsel	\$28,747
Total	\$177,468

Contract Specifications

In reviewing the executed contracts surrounding the legal staff, it was noted that all of them detailed those services that were expected and clearly outlined the associated fees. Not all of the contracts, however, had "not-to-exceed" clause surrounding the amount of money that was authorized on a particular contract. A "not-to-exceed" clause is essentially a "cap" on the amount of money that can be spent for the specified service.

Recommendations:

It is recommended the township continue with the positive practice of executing clear and concise professional contracts with its entire legal staff.

It is recommended the township consider soliciting requests for proposals (RFP's) on an annual basis, although not required to be a competitive situation, to ensure that the township is receiving the best possible price for the services being provided.

It is recommended the township ensure that all contracts and the appointing resolutions for legal services include a cap or “not-to-exceed” amount. This will help to limit any questions and confusion, as well as, to easily identify the provisions and cost of each contract.

Township Attorney

In FY 2000, the township attorney, who is appointed annually by the by the mayor with advice and consent of the township council, received approximately \$110,212 in payment for legal services to the township. The current township attorney has served as township attorney since 1973, although there was a three or four year period when he was not reappointed as township attorney.

The township attorney is paid at the hourly rates of \$100 per hour for attorney time and \$50 per hour for paralegal time. The agreement covers: attendance at all township council meetings; review of correspondence; preparation of ordinances; litigation matters; and the rendering of legal opinions requested by the township council. The agreement does not cover legal matters related to worker’s compensation claims and issues.

Special Counsel/Defense Attorney

Special counsel, also known as the defense attorney, is hired to serve as legal counsel to the township, its various officers, employees, and boards/commission when the township attorney or other counsel is unable to represent the township due to conflicts. Besides conflicts, the special counsel handles bankruptcies and complicated foreclosures. The defense attorney is paid at an hourly rate of \$100 per hour, with a not to exceed amount of \$5,000 without the approval of the mayor or designee. In FY 2000, the special counsel was paid \$4,248.

Special Litigation Counsel

Special Litigation counsel is hired to assist the township attorney in the preparation, trial and/or argument of legal proceedings. The special litigation attorney also substitutes for the township attorney when conflicts of interests occur. The special litigation attorney is paid at an hourly rate of \$100 per hour. In SFY 2000, the special litigation counsel was paid approximately \$9,717.

Labor Attorney

A labor attorney is hired to provide legal services for labor related matters with employees and collective bargaining units. In SFY 2000, the labor attorney was paid \$19,508.

Rent Control Board Attorney

The rent control board attorney is hired to provide legal services to the rent control board. A contract is executed each year and expected services and fees are clearly outlined. The rent control board attorney is paid an annual salary of \$5,000. The agreement covers: attending all board meetings; reviewing and preparing correspondence; reviewing and preparing resolutions; litigation matters; and the rendering of legal opinions requested by the board.

Other Counsel

There were two complicated cases during the fiscal year, one involving a suit with a developer and one involving a personnel matter, which required attorneys with special expertise. These

attorneys were paid \$18,057 and \$3,065 respectively. Another attorney was paid \$7,625 to handle various insurance matters. In total, \$28,747 was paid for these other attorneys.

The township also hires bond counsel to provide legal counsel for matters related to bond ordinances and to bond and note sales. In most instances, the legal work provided by the bond counsel is charged against the bond ordinance for that capital project.

Analysis

While the number of contracted legal professionals seems high to the review team when compared to other municipalities, the associated costs were not found to be excessive. It seems to the review team that the township is currently receiving quality legal services at a cost found to be comparable to other municipal entities.

BUDGET & FINANCIAL INFORMATION

Budget Process

The township operates under the state fiscal calendar for budgetary purposes. The state fiscal year is July 1st to June 30th of the subsequent calendar year. N.J.S.A. 40A:4-3.2 permits municipalities to adopt the state fiscal year, although most municipalities operate under the calendar year system from January to December.

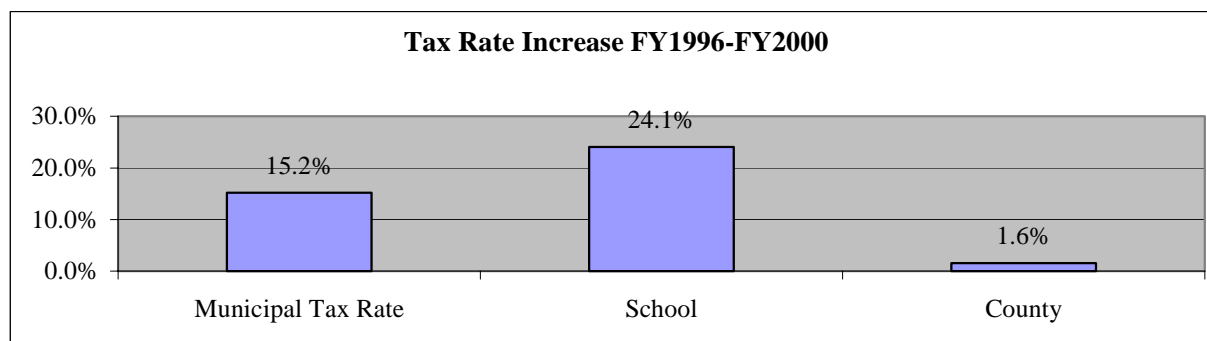
Budget requests are distributed to department/division heads in late March or April and generally returned for review in May. During the past two years, the requests have been reviewed by a budget committee consisting of the administrator, chief financial officer (CFO), and three department/division heads. This is done so that there will be more input into the budget process and so that department/division heads have a better understanding as to how the process works and as to how certain budgetary decisions are made. The three department/division heads are rotated or changed annually. The mayor, administrator and chief financial officer (CFO) then present the budget to the governing body, which introduces the budget usually by the August 10th statutory deadline. The final budget is usually adopted in September or October.

The township is commended for its usage of the budget committee to gain valuable input into the budget process and to provide the committee members with a better understanding of the budget process and how certain budgetary decisions are made.

Tax Rate

From FY 1995 to FY 2000, the municipal budget increased by 5.5%, from \$28,143,149 to \$29,692,048, while the municipal tax rate increased by 15.2% from 0.33 to 0.38. During this same period, the county tax rate increased by 1.6%, while the school tax rate has increased by 24.1%. The overall tax rate during this period increased by 17.5%. Below is a comparison of the municipal tax rate and overall tax rate, which includes the school and county apportionment. It should be noted that the county tax rate combines the county library tax and the county open space tax.

	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>
Municipal Tax Rate	0.33	0.23	0.32	0.32	0.34	0.38
County	0.64	0.67	0.66	0.66	0.64	0.65
School	1.66	1.74	1.83	1.95	1.98	2.06
Overall Tax Rate	2.63	2.64	2.81	2.93	2.96	3.09



It should be noted that the significant decrease in the municipal tax rate for FY 1996 was a result of the governing body utilizing surplus funds to provide one year of tax relief.

The township prides itself in trying to maintain a low municipal tax rate. In order to do this, departments and functions have been reorganized to increase efficiency and effectiveness, vacant positions have not always been filled, alternate sources of funding have been searched out and some other methods were utilized that will be discussed further in this section. As a result, according to the State of New Jersey's Department of Community Affairs website, the township boasts an equalized tax rate that is only 13.84% of the total tax rate. The following chart shows how Ewing's FY 2000 municipal tax rate compares very favorably to both the Mercer County and State of New Jersey averages.

	Total Tax Rate	Mun. Tax Rate	% of Total Tax Rate	County Tax Rate	% of Total Tax Rate	School Tax Rate	% of Total Tax Rate
Ewing Twp.	2.999	0.415	13.84%	0.615	20.51%	1.969	65.66%
Mercer Cty. (Avg.)	2.712	0.567	20.91%	0.560	20.65%	1.585	58.44%
State of NJ (Avg.)	2.429	0.470	19.35%	0.636	26.18%	1.323	54.47%

Tax Billing Error – SFY 1999

In 1999, the percentage used to calculate the estimated February/May tax billings did not bill the amount of taxes necessary to meet the non-municipal (school and county tax levies) obligations. According to township officials, approximately \$800,000 was supposed to be appropriated for the school's debt service, but was not included on one of the state's school budget forms.

Municipalities are responsible for collecting all taxes, including those taxes needed to support the local school and county operations. After being collected by the municipality, the school and county taxes are then disbursed to both the school and the county. Even though there was a miscalculation on the part of the board of education, the township was still required to remit the full amount needed for the operation of the schools. The end result was an \$843,000 shortfall in

the amount to be raised by taxation, which was offset with surplus generated by other revenue accounts. The net result was only an \$11,000 deficit in operations. Fortunately, the error was identified and the chief financial officer was able to make an adjustment in the next tax billing cycle.

Financial Practices

The Township of Ewing, in an effort to keep down the municipal tax rate, often assumes a less than conservative approach when it comes to its financial practices. Several short-term fixes have been pursued to keep the tax rate stable without much regard to the long-term impact. For example, revenues have been anticipated very close to their maximum amount and the projected tax collection rate has been anticipated so close to the actual collection rate that there is a risk of a revenue deficit. Both of these practices, if used on a recurring basis, make it virtually impossible for the municipality to regenerate surplus funds needed to offset potential tax increases or unexpected financial shortfalls. Additionally, surplus funds have been all but depleted and many capital expenditures are now bonded instead of funded through the current fund. Finally, the township has deliberately chosen to defer payments to the Ewing Lawrence Sewerage Authority (ELSA) and not make certain payments to the Mercer County Improvement Authority (MCIA). Each of these practices will be subsequently described and expanded upon.

We do not feel it is physically responsible for the township to rely on short-term “gimmicks” or “fixes” to keep the municipal tax rate stable or from increasing. The township should focus on areas that are physically conservative and which will provide long-term or permanent solutions.

Recommendation:

While we understand the need to keep the tax rate and level of taxes to a minimum, the governing body should focus on the long-term impacts of some of the above financial decisions. The council should do all that it can to ensure that the use of short-term “gimmicks” or “fixes” are kept to a minimum, if not all together eliminated. No matter how unpopular it might seem to township residents, it is necessary at times for a municipality to raise taxes to meet the legitimate costs of running a municipality.

ELSA

In the case of ELSA, instead of paying the end of year installment, the township has chosen to defer this payment into the next fiscal year. For example, the 4th quarter ELSA payment (approximately \$1.4 million) was due June 30th of 2000. The township chose to defer this payment to after July 1st, which is the start of a new fiscal year for the township. The result of this event is that the prior year budget expenditures were reduced, while increasing future obligations. In practical terms, the township was now responsible for making five quarterly payments during FY 2001 to ELSA at a cost of approximately \$7 million, instead of \$5.6 million. Now the township is forced to deliberately under budget what it owes to avoid the additional payment or it must increase its budget to make up for the missed payment(s).

MCIA

With regards to the non-payments to the MCIA, annual payments for solid waste tipping fees have ranged from \$1.3 to \$1.5 million in recent years. The township has under budgeted and

underpaid their obligations in the hopes that pending legislative initiatives regarding solid waste will provide relief in this area, reduce its annual solid waste costs, and allow the MCIA to forgive the debts that are presently occurring.

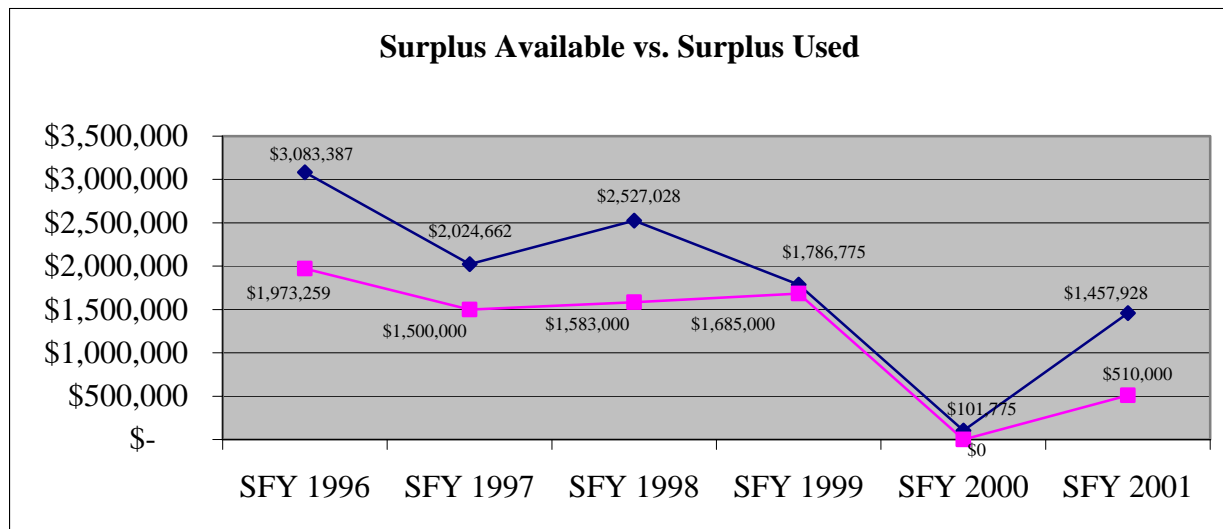
Surplus

The chart below represents a six-year history of the township's fund balance (surplus) and indicates significant fluctuations in the amount of surplus retained by the township since FY 1996.

	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
Municipal Budget (adopted)	\$28,479,366	\$29,270,052	\$29,602,779	\$30,126,898	\$29,692,048	\$31,816,573
June 30 th Surplus – Pr. Yr.	\$3,083,387	\$2,024,662	\$2,527,028	\$1,786,775	\$101,775	\$1,457,928
Surplus Percentage	10.8%	6.9%	8.5%	5.9%	0.3%	4.6%

Just as the chart above shows that the amount of surplus retained by the township has fluctuated significantly from year to year, the chart and graph below show that the amount of surplus anticipated as revenue in the budget has also fluctuated greatly. In the chart and graph you will be able to see that the township used nearly its entire surplus in FY 1999 and then was unable to anticipate any surplus in revenue in the next year. This was a result of the tax billing error that was described earlier in this section.

	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
June 30 th Surplus – Pr Yr	\$3,083,387	\$2,024,662	\$2,527,028	\$1,786,775	\$101,775	\$1,457,928
Anticipated as Revenue*	\$1,973,259	\$1,500,000	\$1,583,000	\$1,685,000	\$-	\$510,000
Percentage Used	64.0%	74.1%	62.6%	94.3%	0.0%	35.0%



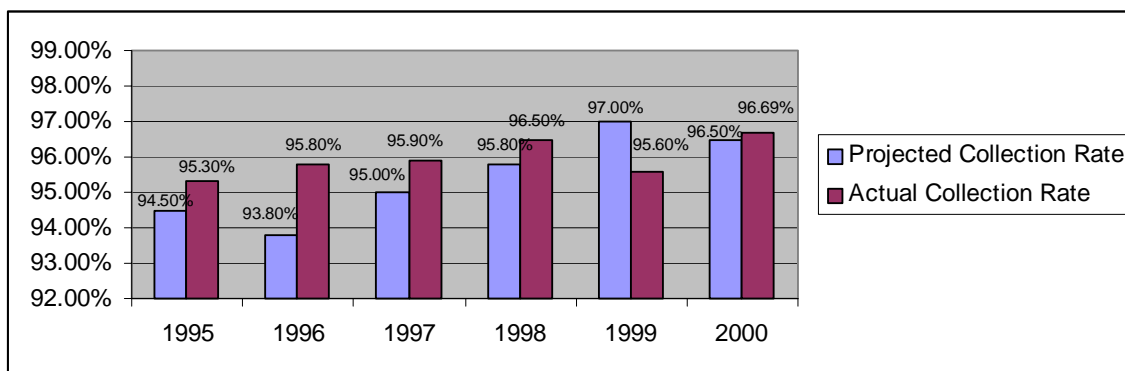
In addition to utilizing cash surplus as revenue, the township has also anticipated non-cash surplus as revenue in the fiscal years of 1995, 1997, and 1999. In order to do this, the township must receive prior written approval from the Department of Community Affairs. This illustrates that the township is trying to squeeze every penny from surplus as additional revenue.

While there is no prescribed percentage or amount of surplus that is deemed as adequate for municipalities, each municipality should have enough money in reserve to cover unforeseen expenses. A surplus amount of 5% - 10% of the municipal budget in larger municipalities has been deemed appropriate in other LGBR reviews. As a general rule, however, it is recommended that the amount of surplus anticipated as revenue in any budget be limited to the amount that can be reasonably assumed to be generated in the next fiscal year. Over the last five years, the township has met this general guideline only once.

An additional benefit to having an adequate and stable surplus level is that it is an indicator of financial stability used by investment agencies that give ratings to municipalities for bonding purposes. A municipality with an adequate and stable surplus may be able to improve its bond rating, which will ultimately save the municipality money, as the interest rate to borrow funds will be lower.

Projected Tax Collection Rate

As the chart below indicates, the township projects its tax collection rate at the beginning of the fiscal year that ends up being very close to the actual collection rate. For example, in FY 2000, the projected tax collection rate was 96.5% while the actual rate for the prior fiscal year was 96.69%...a difference of 0.19%. In FY 1999, the township had a significant problem and did not meet its levy and collected 1.4% or approximately \$840,000 less than anticipated.



Projecting the collection rate very close to what you expect the actual collection rate to be is a way to limit a potential tax increase, but to do so is not seen as a wise decision by the review team. This is because the municipality runs the risk that the tax revenues needed to be collected to operate will not be received and thus the municipality will operate with a shortfall. It is also not sound fiscal policy, because it does not allow the municipality to generate or regenerate an adequate surplus. Municipalities should project the tax collection rate close enough to what they expect the actual collection rate will be without risking a shortfall or having a negative impact upon its surplus.

In past years, the review team noticed that the township had a higher projected tax collection rate than was actually collected in the previous year. According to N.J.S.A. 40A:4-41, a municipality

cannot anticipate or project its tax collection rate in excess of the actual percentage of taxes collected in the previous year or the average of the last three years. The CFO acknowledged that there was a problem in the past and that the issue has been corrected.

Revenues

As stated earlier, the township has in the past estimated revenues in the budget too close to the actual amount collected. For example, in FY 1999 the total revenues realized were \$30,422,096 while the anticipated revenues in the budget were \$30,740,652. This amounted to a deficit in revenues of \$318,555, approximately 1.0%. During the other fiscal years from 1995 to 2000, the actual revenues collected ranged from a very low 1.8% to 8.1% greater than budgeted revenues.

In addition to its anticipated revenues in the budget, the township also receives miscellaneous revenue not anticipated (MRNA). During FY 2000, the township received \$118,132 in MRNA funds. While some of these revenues reoccur annually, there can be significant fluctuations from year to year. As such, the review team feels it is appropriate to keep these revenues as unanticipated, non-budget revenue items.

Debt Service/Capital Improvements

The goal of any municipality that seeks to properly manage its debt service obligations is to stabilize its debt payments in such a way so as to avoid severe fluctuations. As of June 30, 2000, the township was carrying \$25,385,213 in net debt.

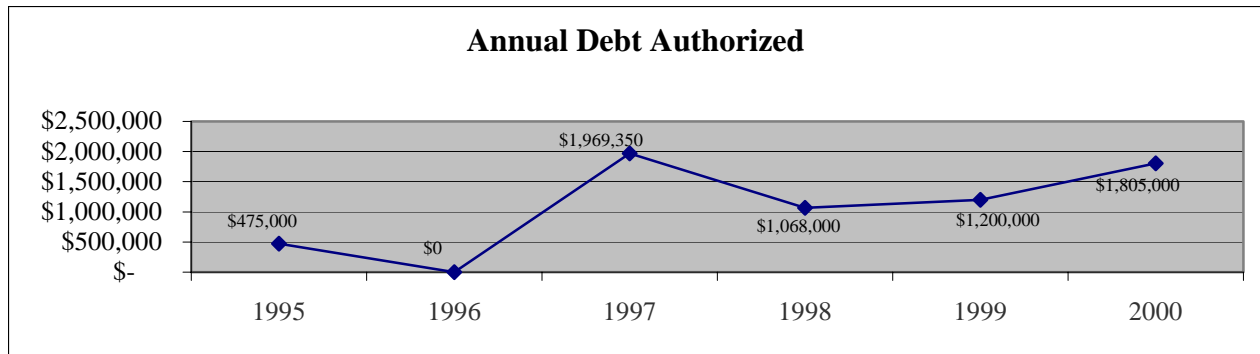
The township is limited by state statute (N.J.S.A. 40A:2-2) to a maximum net indebtedness equal to 3½% of its equalized assessed valuation. According to the township's FY 2000 annual debt statement, the township's net debt was only 1.45% of its equalized assessed valuation.

The following chart represents how much the township appropriated for debt service payments (principal and interest for bonds and notes) during the last six fiscal years. During the past few fiscal years, the amount of debt service in the municipal budget ranged from 9% - 10%.

Debt Service	<u>SFY 1996</u>	<u>SFY 1997</u>	<u>SFY 1998</u>	<u>SFY 1999</u>	<u>SFY 2000</u>	<u>SFY 2001</u>
<i>(appropriated)</i>	\$2,471,623	\$2,271,722	\$2,745,018	\$2,803,708	\$2,955,439	\$3,060,154

In FY 2000, the township council passed two bond ordinances for various capital improvements totaling \$1,805,000 and also budgeted \$60,000 from the capital improvement fund. These funds were allocated for various projects including, road projects, facility improvements, and equipment and property purchases. It appears to the review team that nearly all capital projects are now bonded. The capital improvement fund only funds the 5% down payment required to authorize debt for a bond ordinance.

Prior to 1997, the township funded much of its capital expenses on a "pay as you go" basis and did not authorize debt to fund capital projects. The chart below shows how the township has increased its annual debt authorized for capital projects since FY 1995 and FY 1996.



Since most capital projects are now bonded, the township will probably see an increase in debt service payments over the next 10 years. In order to avoid serious fluctuations in debt payments the township should consider funding capital projects with a mix of bonding and “pay as you go” methods. This should be attainable if the township agrees with some of the concerns previously discussed in this section and implements a more conservative fiscal policy.

Recommendation:

It is recommended the township review its financing methods and consider funding capital projects with a mix of “pay as you go” and bonding.

Audit Findings

A review of the audit findings of the last four years revealed the township averages about seven recommendations each year. The only recommendation repeated regularly over this period involved the requirement to deposit all receipts collected within 48 hours per N.J.S.A. 40A-5-15. The construction code enforcement office and community affairs office have not complied with this regulation the last two audits.

Based on state regulations, the chief finance officer is required to respond to the auditor’s findings and must submit a corrective action plan within sixty days from the date the audit is received by the governing body. The township has complied with these regulations and has submitted corrective action plans.

FINANCE OFFICE

The finance office is responsible for the overall treasury and cash management functions of the township. This office manages the following processes: financial and budgetary activities, cash management, payroll and some personnel functions, and accounts receivable/accounts payable.

In addition to finance duties, the chief financial officer (CFO) also maintains the township’s website, unofficially serves as a technology specialist for much of the municipality, and prepares the end of year financial reports for the independent auditors. The CFO also serves as the

purchasing agent, although most of the purchasing functions are completed by the purchasing assistant under his supervision. The purchasing process is discussed as its own section elsewhere in this report.

As stated above, the finance office is also responsible for the payroll function. Payroll is a bi-weekly process and the payroll clerk assigned to this function spends the majority of her time dealing with payroll issues and duties.

Staffing

The finance office is staffed with three full-time positions. The positions include the CFO, a purchasing assistant, and a payroll clerk. During FY 2000, the finance office had a salary and benefit cost of approximately \$184,755.

Financial

Besides salary and benefit costs, the office spent \$57,788 in operating expenses, although most of the money went towards computer maintenance contracts. Additionally, although not specifically a part of the finance office's budget, the annual audit cost the municipality \$31,700 in FY 2000. There is a specific line item in the budget for the annual audit costs.

Staffing Analysis

Based upon observations of efficient and effective finance offices in past LGBR reviews, the review team is surprised at how well the finance office functions with such a lean staff. Since the purchasing assistant basically only deals with that function and the payroll clerk basically only processes the payroll, that leaves only the CFO to be responsible for the finance function in a municipality with a budget in excess of \$30 million.

One of the concerns that come with such a small finance staff is that there are only a few people to divide duties among. Although nothing was found by the review team or is being implied, the potential for theft is much greater where there are fewer people and fewer checks and balances. As a result, internal control procedures should be reviewed carefully and on a routine basis.

Recommendations:

It is again recommended that the township consider eliminating the switchboard position in the administration function and transfer that employee to the finance office where she can be cross-trained to assist with the entire operation (purchasing, payroll, and finance).

It is recommended the township review any internal control issues with the township auditor and delineate internal control procedures within the township's cash management plan.

CASH MANAGEMENT

This section analyzes Ewing Township's management of its cash balances based on analyses conducted by the review team and discussions with the chief financial officer (CFO), who is

directly responsible for managing and reconciling the township bank accounts not specifically assigned to another division or function (i.e., construction office). It was not the position of LGBR to attest to the accuracy of the cash reported in the financial statements, which is the responsibility of the external auditors, but rather to evaluate the cash management process and rates of return on invested funds.

Cash management may be defined as all activities undertaken to insure maximum cash availability and maximum investment yield on a government's idle cash. This process is concerned with the efficient management of cash from the time revenue is earned to the time an expenditure payment clears the bank.

The main purpose of this review area was to analyze the township's bank accounts over a 12-month period to identify the average daily balances, fees charged, interest paid, if any, and the interest rate was conducted for the fiscal year 6/30/99 to 6/30/00. The results of this analysis are then compared to what could have been realized through the New Jersey Cash Management Fund and through 91-day treasury bills (T-Bill) to determine whether the township's finance staff is doing all that it can to maximize investment dollars.

Account Analysis

According to the unaudited Annual Financial Statement (AFS) for FY 2000, the township maintained 24 accounts with various local depositories. At the close of the fiscal year, the township's total cash on deposit was \$4,403,948. Along with utilizing local depositories, the township also utilized the NJCMF as one of its investment vehicles. The NJCMF is not a typical bank account that provides normal services such as check processing, rather, it is a longer term investment vehicle that is able to invest idle funds at higher interest rates until those funds are needed to be transferred into "regular" checking accounts for accounts payable. According to the FY 2001 budget, the township realized \$349,178 in interest on investments and deposits during FY 2000.

In reviewing the accounts, it was found by the review team that the majority of the township's accounts were in interest checking, while others were in money market accounts or the NJCMF. Only a couple of accounts were non-interest bearing accounts. For each account, the bank provided monthly bank statements for the township to review, but did not provide the detailed account analysis statement unless requested to do so. As a result, for the majority of the year the township was not able to review the total costs of maintaining their accounts at the individual banking institutions (i.e., fees, charges, and compensating balances).

Upon completing the account analysis for the township's various bank accounts, it was found that the township received an interest rate of almost 5% on its investments and compares very favorably to those rates that could have been obtained if all of their funds could have been invested in the NJCMF or 91-day T-Bills. For a point of reference, the NJCMF and 91-day T-Bill interest rates averaged between approximately 4.75% and 5.75% during the time period analyzed by the review team.

The township is commended for receiving such competitive interest rates on its investments.

Recommendation:

The township should request that the account analysis statement for each account accompany the bank statement sent to the township each month. This statement should be reviewed to assess what it actually costs to maintain the account versus how much interest is received. This information should then be utilized to determine whether funds should be deposited and invested in other banking institutions to maximize the return on their investments.

Monitoring of Accounts

The majority of the bank accounts are the responsibility of the CFO, although there are some departments who are responsible for maintaining their own accounts due to the lean finance staff. The CFO monitors the accounts on a daily basis to ensure that excess balances do not remain in lower rate investment vehicles such as checking accounts. Additionally, the CFO only keeps active those accounts that are necessary, which helps to minimize the administrative overhead in maintaining these accounts. The CFO is responsible for conducting the monthly bank reconciliation of all the township accounts.

Cash Flow

The CFO is responsible for estimating the township's daily cash flow and monitoring account balances. Although there is no formalized cash flow analysis, the CFO appears to have a good handle on the township's cash flow requirements. Cash forecasting is an important management tool, since it allows management to maximize short-term investments, avoid cash shortfalls, manage cash disbursements, and compare forecasted data against actual data for future reference. Although the review team did not determine any problems with the township's cash flow, we feel it would be in the interest of the township to have the CFO routinely conduct a formalized cash flow analysis. We feel that the results of this process might be able to enhance the job the CFO is doing with investing the township's funds and would provide continuity of good investment practices in the event of the CFO's absence or unavailability.

Recommendation:

Although the CFO has been able to effectively determine the township's cash flow picture through informal processes, it is recommended the township develop and conduct a formalized cash flow analysis on a routine basis.

Cash Management Plan

In accordance with P.L. 1983, Chapter 8, Local Fiscal Affairs Law; N.J.S.A. 40A:5-2, all municipalities are required to adopt a cash management plan to direct the deposit and investment of municipal funds. Ewing's cash management plan is typical of many municipalities in that it basically only specifies those banking institutions the municipality will invest with and gives the township treasurer the authority to make investments. Effective cash management plans not only include what was stated previously, but also includes details concerning the scheduling of deposits, defining allowable investment vehicles, specifying investment and reporting procedures, creating internal controls, specifying bonding coverage for those people dealing with the money, and various other cash management issues.

Recommendation:

It is recommended the CFO and other township officials work to create a comprehensive cash management plan that defines all of the roles and procedures surrounding the township's investment of funds.

Request for Proposals for Banking Services

At time of the review, the CFO has received and was in the process of receiving request for proposals from the various banks in an effort to analyze and evaluate the township's current banking arrangements. Through this process, the CFO was hoping to get a complete understanding of: 1) The services being provided to the township and what other services might be available (i.e., online banking), 2) What fees, charges, and compensating balance agreements were going to be assessed to the township, and 3) What was the township's interest earnings potential?

The township should be commended for obtaining requests for proposals for banking services. This process allows the municipality to ensure that it is maximizing the earnings potential on its investment dollars. This process, if not already occurring, should continue on an annual basis.

PURCHASING

The township's purchasing process is a de-centralized process in which the initiating departments/divisions are responsible for initially determining the specifications of what is to be purchased, soliciting quotations when required by statute, and selecting the lowest- priced, qualified vendor. Once that is determined, a requisition is formally completed and sent over to the purchasing office for processing. On average, the purchasing office processes approximately 7,000 purchase orders per year. During the fiscal year, the processed purchase orders represented \$8,512,793 in total expenditures. In doing a random analysis of the process, the review team found that nearly all purchases analyzed were in accordance with accepted procedures and that bids were received when required.

Staffing

One full-time employee, with the title of assistant purchasing agent, staffs the purchasing office. The CFO is the designated purchasing agent and as such, keeps abreast of the workings of the office and purchasing mechanisms that might lead to cost containment and/or reduction. The only time that the CFO really gets involved with the purchasing process is when the assistant purchasing agent is away for an extended period of time.

Financial

All of the associated salary and benefit costs and other expenses were recorded in the finance office section of this report.

Purchasing Process

The following is an overview of how a typical purchase order is processed through the township's purchasing system.

1. The individual department/division determines it has a need to make a purchase.
2. The department/division determines the specifications of what is to be purchased.
3. If required by statute and not utilizing a state contract vendor, the department/division will solicit at least three quotes to help ascertain the lowest qualified vendor.
4. A requisition form is manually completed and signed and then forwarded to the purchasing office.
5. The CFO certifies the availability of funds in the specified account and encumbers the funds.
6. The assistant purchasing agent enters the requisition information into the purchasing module of the township's financial package. Once this information is entered, a purchase order is then printed.
7. The CFO reviews the purchase order and signs it.
8. The signed purchase order is then sent to the vendor to process the order and for signatures verifying that the good or service was actually provided.
9. Once the signed purchase order, along with an invoice, is returned to the purchasing office it is sent to the department/division that received the good or service to verify that the good or service was actually received.
10. Once the purchase order is completed, a check is generated for payment and a bill list is created for the governing body's review and approval.
11. After the bill list is approved, the completed checks are then sent out to the respective vendors.

At time of review, the purchasing process was basically a manual, paper-based system. The township's financial software package does have a purchasing module with computerized requisitioning, but it was not being utilized. A benefit of a completely automated system is more efficient since the purchasing office would not have to enter information into the purchasing system, as it would be done by the requisitioning department/division (currently the requisitioning office writes or types a requisition and then that information is entered by the purchasing staff into the purchasing system). Additionally, an automated purchasing system can be structured to be a more secure system in that it won't allow the purchase order to continue through the system for payment unless all of the information is correct, there are appropriate funds, and all of the necessary authorizations are obtained. One of the main reasons the computerized system is not in place is that there are concerns that some of the township's employees would not be able to utilize the system properly due to a lack of computer skills and training.

Recommendation:

It is recommended the CFO work closely with the technology committee (recommended in another section of this report) to properly train the township's employees so that the township can work to implement a computerized purchasing system.

Cooperative & Bulk Purchasing

Through discussions with the CFO and the assistant purchasing agent, it was noted that the township doesn't participate in any cooperative/shared purchasing ventures nor is there much planning of purchases so as to purchase items in bulk. Both cooperative/shared purchasing and bulk purchasing are ways in which municipalities can greatly reduce their purchasing costs. Generally, the LGBR program estimates a municipality can save anywhere from 5% to 10% on many of its purchases through these efforts.

The first step for the township would be to try and join an established purchasing cooperative or solicit interest from the local board of education, the county, or surrounding municipalities into a joint purchasing arrangement. The second step would be for the township to require its departments/divisions to estimate how much of "common items" (i.e., office supplies) they plan on purchasing during the course of a fiscal year. That information would then be utilized to purchase those "common items" in bulk at a reduced cost.

Since there are so many things processed through the purchasing system that would not be affected by the above practices (i.e., employee reimbursements and stipends, landfill tipping fees, health benefit charges, utilities, etc.), it was difficult to determine what the potential savings could be to the township without analyzing each purchase order during the fiscal year. As a result, we conservatively estimated that the township could save \$50,000 by utilizing the above suggestions. The \$50,000 savings represents less than 1% of the total purchases for the fiscal year.

Recommendations:

It is recommended that the township consider joining an existing purchasing cooperative or solicit interest in creating a shared/joint purchasing arrangement with the board of education, surrounding municipalities, etc.

It is also recommended that the township consider a purchasing system that encourages planned purchases that would result in bulk purchase discounts.

Cost Savings: \$50,000

TAX COLLECTION

The tax office is responsible for the billing and collection of property taxes for approximately 12,000 tax lines or taxable entities including residential, commercial, apartments, and industrial properties. Additionally, the office generates and collects sewer bills for approximately 50 commercial sewer accounts. All other sewer moneys are collected with the municipal taxes, as the sewer charges are included in the taxes billed to the property owners.

Staffing

The tax collection office is staffed with five full-time positions: the tax collector and four senior account clerks. During FY 2000, the office had a salary and benefit cost of \$251,356.

Financial

In addition to the salary and benefit costs, the office expended \$1,533 in operating expenses during the fiscal year.

Staffing Analysis

With a staff of five positions, the tax collection office bills and collects funds against approximately 12,050 tax lines or taxable entities including residential, commercial, apartments and industrial properties. This translates to over 2,410 tax lines per employee. Using a benchmark established from prior LGBR reviews, a tax office can run efficiently at a ratio of approximately 3,000 to 3,500 tax lines per person. Using this staffing ratio, the tax office should be able to function with a staffing level of approximately 3.5 to 4 full-time positions, although there are currently five full-time employees in this function.

Recommendation:

It is recommended the township closely evaluate the staffing level of the tax collection office and consider eliminating one senior clerk position for a salary and benefits savings of approximately \$33,358.

Cost Savings: \$33,358

Current Year Collections

During FY 2000, the township had an actual tax collection rate of 96.69%. This follows collection rates of 95.60% in FY 1999, 96.50% in FY 1998, and 95.90% in FY 1997. For a point of reference, the average tax collection rate for New Jersey municipalities was between 95% and 96% over the past few years.

Delinquent Taxes

Delinquent notices are mailed quarterly to delinquent taxpayers after each of the four tax quarters. A tax sale is conducted each April for those properties that are still delinquent. In addition to utilizing the tax sale and delinquent notices as a way to obtain delinquent funds, the tax collector also pursues delinquent taxpayers through telephone calls. During FY 2000, the township received \$1,662,000 in receipts from delinquent taxes.

The tax collection office should be commended for its focus on delinquent tax accounts.

Armored Car Service

The tax office also collects the daily banking deposits for all municipal departments. Upon receipt of the sealed deposit bags, the tax collection office logs the bag number, department, account number and amount. The moneybags are then brought to the various banking institutions by an armored car service that the township contracts with. During FY 2000, the township paid the armored car service \$7,296. It is common in other municipalities to avoid this additional charge by having a police officer escort a municipal employee to the bank everyday.

Recommendation:

It is recommended that the township consider discontinuing the usage of an armored car service to deliver funds from the municipal building to the various banking institutions. Consideration should be given to using a municipal employee escorted by a uniformed police officer, especially if the township does not decide to reduce the staffing in the tax collection office.

Cost Savings: \$7,296

TAX ASSESMENT

The review team utilized staff from the State of New Jersey's Division of Taxation to conduct this area of review. The review team found that the tax assessment function was in generally good order and that the office was run efficiently and effectively.

The township last conducted a revaluation in 1992 and has been able to maintain an outstanding 97% ratio of net assessed valuation to market valuation. The following chart shows the township's last five years of assessed valuation and how it compares to market valuations. As you can see from the chart, Ewing has basically remained at a stable level over the past few years, with some years being a slight increase and others being a slight decrease.

	Net Assessed Valuation	Market Valuations
2000	\$1,709,470,000	\$1,768,173,355
1999	\$1,693,250,200	\$1,733,111,771
1998	\$1,704,911,100	\$1,757,227,984
1997	\$1,710,523,500	\$1,745,076,005
1996	\$1,703,321,500	\$1,765,648,906

Ewing only has a vacant land component of a little over 1% on which there might be potential new development. As such, the township is basically a "no growth municipality" in which valuations should not be expected to increase dramatically as a result of new development.

Staffing

The tax assessment function is staffed by an assessor, an assistant assessor, an assessing aide, and a clerk. Each of those positions is full-time. In addition to those employees, a paid intern assists the office in the summer. During FY 2000, the salary and benefit costs for this function was \$181,757.

As is typical in all LGBR reports, the review team conducted a staffing analysis of the tax assessment office. Based upon generally accepted assessing standards and comparable municipalities throughout Mercer County and surrounding counties, it was found that the office is adequately staffed for the present workload.

Financial

During FY 2000, the office had other expenses of \$16,702. Of that total, \$16,200 was billed and paid for appraisal fees.

Statistical Information

The following information was taken from a review of state and county tax board data. This information is recorded and presented on a calendar year basis.

The following chart indicates the amount of tax appeals lost by the municipality and also indicates the amount of added assessments.

	1997	1998	1999
Tax Appeals	\$7,218,914	\$6,499,800	\$3,344,314
Added Assessments	\$6,900,000	\$7,700,000	\$17,907,200

As can be seen from the chart above, the township has been able to reduce the amount of tax appeal losses...decreasing the amount by more than half (\$3,874,600).

Additionally, the chart shows that for the years of 1997 and 1998, the added assessments were basically negated by the losses due to tax appeals. During 1999, however, the township was able to increase its assessment by a sizeable margin (\$14,562,886).

Recommendation:

In order to minimize tax increases and stabilize its ratable base, the township should continue its aggressive posture in defending tax appeals. Due to limited or somewhat stagnant growth and the amount of vacant land available for new development, this should continue to be a very important area of concentration.

POLICE

As is typical in all of the LGBR reports, personnel from the Department of Law & Public Safety (Division of Criminal Justice (DCJ)) are utilized as a resource on an “as needed” basis during the review process and are utilized to review the completed police section of the report and offer any guidance and/or suggestions.

The Ewing Police Department is a large-scale municipal operation that provides comprehensive police services to its residents. The department’s responsibilities include providing routine patrol, responding to calls for service, conducting criminal investigations, maintaining traffic safety, providing awareness programs to the residents, and various other functions to be discussed further in this report. In addition, the department is responsible for overseeing the township’s emergency medical services (EMS) function. The EMS function is specifically assigned to the department’s Emergency Services Unit, although it will be addressed as a stand-alone function in this report.

In general, the review team found the department to be an effective organization with highly trained, competent, and professional employees who strive to provide high-quality police services to the residents of the township.

Department Staffing & Costs

At time of review, the Ewing Police Department consisted of a full-time contingent of 81 sworn officers and 16 civilian employees (including 10 dispatchers). The 81 sworn officers consisted of one chief, one deputy chief, two captains, twelve lieutenants, eight sergeants, six detectives, and fifty-one patrolmen. The department also uses various numbers of part-time employees as school crossing guards, dispatchers, a garage attendant, and summer help. During FY 2000, the township paid approximately \$62,431 in salary costs for crossing guards, approximately \$469,487 in salary and benefit costs for dispatchers (including overtime), and approximately \$7,811,985 in salary and benefit costs for uniformed officers and other civilian employees (including overtime). In total, the departments' salary and benefit costs were approximately \$8,343,903. A portion of the salary costs were paid through various grant sources.

In order to quantify the approximate salary and benefit cost of uniformed officers in each division and function within the police department, the review team will be multiplying the number of officers within the function by average salaries derived from a payroll document created by the review team. For this report, the review team will utilize the following averages for the salary and benefit costs of the township's police officers:

Patrolmen	\$87,210
Detectives	\$92,683
Sergeants	\$101,276
Lieutenants	\$110,964
Captain	\$117,500

In addition to salary and benefit costs, the department's other expenses for the FY 2000 were approximately \$395,865.

Mission

Having a mission statement that is up to date is essential to the effective operation of any police department. Police work is ever changing, and as such, departments need to routinely assess how they operate in dealing with the needs of the community. When a department has an up to date mission statement, it infers that department personnel have carefully analyzed the workload, crime data, and trends to determine the needs of the municipality and the actions to be taken by the department to fulfill those needs. Having an up to date mission statement allows the department to focus on objectives and needs, rather than just maintaining the status quo.

The Ewing police department has a clearly defined mission statement that is prominently displayed above the entrance to the department and in various other places. As it reads, "The mission of the Ewing Township Police Department is to work in partnership with the community to provide service and in accordance with constitutional rights, to enforce the law, preserve the peace, reduce fear, and enhance the quality of life within our community."

The department is commended for having an up to date mission statement to guide their operations and practices.

Crime Statistics

As has been the case in many municipalities over the past few years, the total amount of crime occurring in Ewing has been on the decline. The following chart represents the criminal activity in Ewing over the past five years. You will see in the chart that except for the violent crime rate (which basically remained constant), every category decreased over the past five years.

	Total Crime Index	Violent Crime Rate Per 1,000 Population	Non-Violent Crime Rate Per 1,000 Population	Total Crime Rate Per 1,000 Population
1999	1,111	3.2	29.7	32.9
1998	1,276	3.3	34.3	37.7
1997	1,304	3.1	35.4	38.5
1996	1,439	2.4	38.6	41.0
1995	1,570	3.1	41.7	44.8

In addition to the township's crime rate decreasing over the past few years, the township maintains a favorable crime rate when compared to two of its three neighboring communities and the Mercer County average. The following chart compares crime statistics in Ewing to Trenton City, Lawrence Township, Hopewell Township, and the Mercer County average.

	Total Crime Index	Violent Crime Rate Per 1,000 Population	Non-Violent Crime Rate Per 1,000 Population	Total Crime Rate Per 1,000 Population
Ewing Township	1,111	3.2	29.7	32.9
Hopewell Township	161	1.1	10.1	11.3
Lawrence Township	1,327	2.0	46.1	48.2
Trenton City	6,531	14.9	62.4	77.3
Mercer County (Avg.)	13,314	5.1	35.1	40.1

In looking at those statistics and the statistics of the other Mercer County municipalities found in the 1999 Uniform Crime Report, it seems clear to the review team that the police department is doing a good job combating crime within its borders and that the township's crime rate is impacted by "spill-over" activity from its surrounding municipalities. In talking to department personnel, it was told to the review team that the section of town that requires the most police activity and presence is the southeastern section of town that significantly borders the City of Trenton.

Workload

The department records its calls for service activity in its computer aided dispatch system (CAD). At time of review, the department was in the process of completing major computer upgrades. As a result, it was easier for department staff to give the review team a yearly amount of calls for service for the calendar year of 1999 as opposed to the fiscal year of 2000 (July 1, 1999 – June 30, 2000). Upon receipt of the total amount of calls for service (34,861), the review team was told that the amount of calls received during this period was fairly typical of any 12-

month cycle. In addition to totaling the calls for service for the department, the information also revealed to the review team that the average response time for a patrol vehicle was four to five minutes.

The following chart represents the number and percentage of calls received during different time periods of the day. The reason why the chart begins and ends at 7:00 a.m. is that the patrol shifts work a 12-hour day from either 7:00 a.m. to 7:00 p.m. or from 7:00 p.m. to 7:00 a.m.

Time of Day	Number of Calls	Percentage of Total Calls
7:00 a.m. – 10:00 a.m.	4,497	12.9%
10:00 a.m. – 1:00 p.m.	5,858	16.8%
1:00 p.m. – 4:00 p.m.	5,127	14.7%
4:00 p.m. – 7:00 p.m.	5,967	17.1%
7:00 p.m. – 10:00 p.m.	5,664	16.3%
10:00 p.m. – 1:00 a.m.	3,732	10.7%
1:00 a.m. – 4:00 a.m.	2,554	7.3%
4:00 a.m. – 7:00 a.m.	1,462	4.2%

When looking over the calls for service information supplied by the review team, it was quite obvious that some of the information were really not calls for service and as such, should not have been included in the total calls for service. For example, the system recorded officer meal breaks (3,227), officers being absent or late (412), tests of the system (784) and two categories were counted twice (98). The review team questions a few other categories, but in order to be conservative in analyses to be conducted later, only those 4,521 calls for service outlined above will be taken out of the calls for service total. As a result, the total calls for service to be utilized by the review team in this report will be 30,340.

Organizational Structure

The department is organizationally aligned under the township's department of public safety and as such, falls under the responsibility of the director of public safety. At time of review, the mayor was the director of public safety (as permitted by the township's municipal code). There is a police chief who is responsible for the day-to-day operations of the department. In addition, there is a deputy chief and two captains in the department's upper-level management. The deputy chief is second in command, while the captains are responsible for the department's two main divisions: administration and operations. Among other duties, the administrative captain oversees the functions of property and evidence, records, emergency services, scheduling, and facility needs. The operations captain oversees the uniform patrol function, training and planning, community policing, traffic services, and the detective bureau.

Chief of Police	1
Deputy Chief	1
Captains	2
Lieutenants	12
Sergeants	8
Detectives	7
Patrolmen	50

As can be seen from the chart, the Ewing Police Department has an atypical organizational structure. It is atypical in that it does not follow the more traditional pyramid structure in which more officers are assigned to ranks as you move from the chief's position down to patrolmen (with the exception of the detective position). The department goes from two captains to twelve lieutenants to eight sergeants whereas a traditional organization might go from two captains to eight lieutenants to 12 sergeants. In plain English, the department's organizational structure has a "bulge" in it. As a result, the review team feels that the organization is in need of a restructuring where some of the lieutenant positions should be either eliminated or re-classified as positions only requiring a sergeant's level supervisor. Throughout this police section the review team will make suggestions that will result in the organization having a more traditional structure and saving the township money in the process.

Patrol

The patrol division is under the supervision of the operations captain. At time of review, the patrol division staffing (besides the captain) included four lieutenants, four sergeants, and forty-one patrolmen. In addition, there were two patrolmen assigned to the department's information desk. At time of review, there was one lieutenant and one patrolman out on injury leave. Utilizing the department's average salary and benefit costs, the total salary and benefit costs for the patrol division were approximately \$4,716,490 during FY 2000.

Patrol – Supervision

There is a desk lieutenant and patrol sergeant assigned to each of the patrols. When one of the supervisors is absent, one of the patrolmen will be utilized in an acting supervisor capacity. It is the opinion of the review team that the number of supervisors per platoon is adequate, since it is very common that the number of patrolmen on the road is much less than the full-staffing complement of ten. Generally, an accepted ratio of subordinates to supervisors is 5 to 1 or 6 to 1.

Patrol – Schedule

The patrol function, with the exception of the captain and information officers, works a two on – two off, three on – two off, two on – three off schedule. Officers work 12-hour shifts from either 7:00 a.m. to 7:00 p.m. or from 7:00 p.m. to 7:00 a.m. and are required to rotate shifts (day/night) every four weeks. This schedule results in a work year of approximately 2,190 hours. As a result, each officer has approximately 110 hours of schedule adjustment time each year to utilize when manpower permits. Once schedule adjustment time is factored in, officers work a standard work year of 2,080 hours per year.

Patrol – Platoons & Patrol Areas

The department utilizes a four-platoon system with this schedule and manpower is evenly distributed to each platoon. Within each platoon, there are officers trained as traffic officers, crime scene investigator, evidence technicians, breathalyzer operators, and radar operators.

The chief recently implemented a three-zone patrol area within the township. The township's two patrol areas used to basically be split along Route 31. The current patrol zones, however, include the West Trenton area, and two east/west zones. Out of the three zones, the West Trenton zone is usually the least active and as such, requires the least amount of patrol resources.

Patrol – Minimum Staffing Levels

According to the department's Rules for Leave Time, only two officers are allowed off on scheduled leave (vacation, compensatory, and specialty) in the patrol platoons on the same day. In addition, to those two officers, one additional officer is allowed to utilize personal time or schedule adjustment time (if no one utilizes this option, one other person is allowed to utilize scheduled leave time). As a result, a maximum of three patrol officers are allowed to schedule time-off in advance on any given day. Either the lieutenant or sergeant may also schedule time off on a given day, but never are they allowed to take time off on the same day.

In talking to the chief and various patrol personnel, the department will only call patrolmen in on overtime to cover for patrol absences when the staffing falls below one supervisor and five patrolmen. So, two officers can be out on sick leave, in addition to officers with scheduled time off, before additional patrolmen are called in on overtime.

Patrol – Staffing Analysis

As is typical in all LGBR reviews, the review team conducted staffing analyses utilizing formulas obtained from DCJ. These analyses are used to determine the appropriate number of patrolmen for a police department. One of the analyses is based upon the total number of calls for service that the department handles and the other is based upon the minimum number of patrolmen that the department will allow to patrol the municipality at any given time. Both analyses take into account the amount of time-off that an average patrolman takes in a year (vacation, schedule adjustment, training, sick leave, etc.).

In utilizing the minimum staffing analysis, it was found by the review team that if a department holds to a minimum patrol staffing of five officers (as is the case in Ewing), the department would only need approximately 27 patrolmen over the four platoons to ensure a minimum of five patrolmen on the road at all times. In the Ewing's case, that translates to seven patrolmen per platoon (not including supervisors). This analysis, however, only provides the number of officers needed to maintain a minimum of five patrolmen on a shift at all times and does not factor at all the amount of calls for service that the department handles. Nowhere in this analysis is there any analysis of how much workload the officers can handle. As such, the review team typically utilizes the workload analysis as a better gauge of how many officers a department needs.

In conducting the workload analysis method, the main factors used by the review team were 30,340 calls for service and an average patrolman's availability of 1,648 hours each year (subtracting all potential leave time...this same number was utilized in the minimum staffing analysis). The review team asked the department to supply the average amount of time spent per call over a one-year period. This was never furnished to the review team, as the department was in the middle of doing some major computer upgrades and could not gather this information for the review team. Since the average amount of time per call was not supplied to the review team, the team utilized some average numbers provided by the DCJ. DCJ has found that the average time consumed per call (no matter what type of municipality) is approximately 45 minutes. Recently, DCJ began trying to determine the average type of call by municipality. Although DCJ is in the beginning stages of its data gathering stage, it is finding that except for urban centers the average time consumed per call is approximately 30 minutes. What this data is

beginning to tell DCJ is that the urban centers, since they typically utilize two-person vehicles and both are factored in when the average time consumed per call is determined, are skewing the average for all municipalities.

As a result, the review team will provide the results utilizing both the 45-minute average and the 30-minute average of all non-urban municipalities. In utilizing the 45-minute average for all municipalities, it was found that the department would need approximately 41.42 officers to deal with the workload. In utilizing the 30-minute average for non-urban municipalities, it was found that the department would need approximately 27.62 officers to deal with the workload. It is our opinion from these analyses that the department should determine the actual time per call and conduct one of the more comprehensive analyses that are available to determine appropriate patrol staffing levels. We will not recommend any staffing reductions in the area at this time, but we would not be surprised if a more comprehensive analysis with accurate time per call information would limit any future growth in this area or show that patrol staffing levels could be reduced.

Recommendation:

It is recommended the police department determine an accurate average time spent per call and conduct a comprehensive staffing analysis to determine if the manpower allocated to the patrol function is appropriate.

Patrol – Distribution of Patrolmen

From one of the charts earlier in this section, it was shown that 61.5% of the calls for service were taken during the 7:00 a.m. to 7:00 p.m. shift, while the remaining 39.5% of calls for service were taken during the 7:00 p.m. to 7:00 a.m. shift. In looking at this data, it seems like the department would be one that could benefit from utilizing a “power shift” and not just splitting resources between the four platoons. Utilizing a “power shift” would allow for more patrolmen on the road during some of the times when there was a heavier call load and having less patrolmen on the road during the times when there are less calls for service. In discussions with the police administration, it was noted that there were at least discussions of implementing a “power shift” in the patrol function.

An example of a “power shift” would be for the department to schedule 10 patrolmen during the 7:00 a.m. to 7:00 p.m. shift, 4 patrolmen from 1:00 p.m. to 1:00 a.m., and 6 patrolmen from 7:00 p.m. to 7:00 a.m. The following chart represents the potential number of patrolmen during various time periods and what percentage of calls occur during those time periods.

Time Period	Potential Patrolmen	Percentage of Total Calls
7:00 a.m. to 1:00 p.m.	10	29.7%
1:00 p.m. to 7:00 p.m.	14	31.8%
7:00 p.m. to 1:00 a.m.	10	27.0%
1:00 a.m. to 7:00 a.m.	6	11.5%

In no way is the review team suggesting that this is the best way to distribute patrolmen during the course of a 24-hour day. We are just pointing out that it might be in the best interest of the department to consider distributing patrolmen based upon the workload, rather than just evenly

distributing resources between the four platoons. Any type of change should only occur after the department conducts a full analysis of its workload (i.e., when calls occur and when “significant” calls occur).

Recommendation:

It is recommended that the department conduct a comprehensive analysis of its patrol workload and consider distributing patrolmen based on department workload, rather than just evenly distributing patrolmen among the four platoons.

Patrol – Information Officers

There were two officers, in addition to the traditional patrol officers, assigned to the department’s information area. These officers work a 40-hour workweek from Monday through Friday. If either of the officers is not at work, the department does not assign or pay overtime to officers to cover the information area.

These officers are both long-time Ewing police officers and are mainly utilized to provide police information to citizens who come to the municipal complex, take police reports as needed, and provide authorized visitors with access to the secure police area. At times, the officers are also utilized to check prisoners. Based upon the average salaries, the annual salary and benefit cost of this function was approximately \$174,420.

While the review team believes there is a need to provide this service, it does not believe that it requires uniformed officers. We feel that civilian personnel could carry out this function, with the exception of checking prisoners, and do so at a much-reduced cost. We feel that the department could retain a “police presence” by hiring retired officers to staff the information area. If the department could hire retired officers to cover the information area for the entire year at \$15 per hour, the total cost to provide this function would be approximately \$62,400. This results in a savings to the township of approximately \$112,020. The township would not have to provide benefits to the retired officers, as they would already have them as a result of police retirement rules.

Recommendation:

It is recommended that the township consider replacing the uniformed information officers with civilian employees. If possible, the township should search out retired police officers.

Cost Savings: \$112,020 (in salary and benefit costs)

If the township does replace the uniformed officers with civilians, it would have to ensure that there are uniformed officers available to check on prisoners during those times when the information officers might have assisted.

Planning and Training

The planning and training function is under the supervision of the operations captain. One lieutenant completes the planning and training function. The lieutenant is responsible for searching out training opportunities for department officers, scheduling officers to go to training,

investigating department initiatives, conducting the annual firearms training, overseeing the department's tactical response team (TRT), and scheduling the "training room" to outside agencies. During FY 2000, the salary and benefit costs associated with this function were approximately \$110,964. In addition, there was approximately \$16,334 spent on training initiatives and \$14,943 on firearm instruction and qualifications. Finally, there was \$5,008 spent on training and equipping the tactical response team.

The department holds training to a relatively high standard and looking over some training records, the review team feels that the department does an adequate job training its personnel. The main problem in the eyes of the review team is that there is a lieutenant responsible for this task that does not oversee anyone. We feel that a sergeant could be utilized in this capacity and still administer the planning and training function.

Recommendation:

It is recommended the township consider reducing this position from a lieutenant to a sergeant.

Cost Savings: \$9,688 (in salary costs)

Training Room

The department has a large training room that it allows outside agencies to use throughout the year for various training programs. In exchange for allowing agencies to utilize the room, the department is allowed to send a couple of officers to the program. The training lieutenant estimated that the room is scheduled to outside agencies approximately five times per month.

The department should be commended for this approach of exchanging the training room for the opportunity to send officers to training at no cost to the municipality.

Community Policing

The community policing unit (CPU) has been a specialized unit in the department since 1996. It is under the supervision of the operations captain. At time of review, there was one lieutenant, one sergeant, and five patrolmen in this unit. One of the patrolmen is classified as a school resource officer and spends the overwhelming majority of his time at the high school and middle school. The approximately salary and benefit cost of this function was \$648,290 in FY 2000 (a portion of the school resource officer's salary costs were funded through a grant program). There was no individual line item for other expenses for this unit. The unit has been successful in obtaining donations from various companies and individuals. For the first eight months of 2000, the unit obtained \$2,380 in donations to help with providing CPU programs and activities.

The unit is commended for searching out companies and individuals to donate funds to help cover the costs of its various programs and activities.

The unit has a vision statement that reads, "It is the vision of the Community Policing Unit to lead the efforts of the police department in transition from Traditional policing to Community Oriented Policing and develop programs that will form partnerships with the community and assist in the developing of a department wide Strategic Plan to solve problems." It is the opinion

of the review team that the unit has done extremely well in developing programs to form partnerships with the community, while it has not been able, as of yet, to fully integrate community oriented policing values and strategies into the traditional patrol function. The review team recognizes that a significant reason why there has been a failure to integrate community oriented policing values and strategies is that there has been resistance by other department personnel.

In addition to providing programs and trying to integrate the community policing philosophy throughout the department, the unit also provides various police duties. For example, unit officers have been utilized in the patrol function when it falls below minimum, unit officers will work with the detective bureau to target problem areas with additional resources, and unit officers were recently given the responsibility of trying to limit false alarm calls. Unit officers are generally assigned a section of town to get to know the area and the residents and to deal with any problems not requiring an immediate police presence.

Community Policing – Schedule

The officers work a 5 on 2 off, 4 on 3 off schedule. In addition to working a normal day shift, there is also a night shift to which officers are rotated in and out of. Due to the nature of the work, there are times when officers must work programs on either weekends or evenings. If this occurs, the officers utilize a flex-time arrangement, instead of receiving compensatory time or overtime payments.

Community Policing - Programs

The unit offers a wide variety of programs and services to the residents of Ewing. These programs provide the unit with valuable contact with local residents. Some of the programs include a citizen police academy, a youth police academy, bicycle safety and registration, Halloween safety, bus safety, home security inspections, and an adopt-a-school program. For the most part, the programs are well-received by the township's residents.

The citizen police academy, in addition to the youth academy, is a wonderful initiative that helps build relationships between the police officers and the community. It is a 10-week program in which residents are provided with a detailed look into the workings of the department. Each of the unit officers are required to teach one of the sessions and various department "specialists" are also utilized. In addition to providing residents with information about the police department, the officers are able to meet numerous concerned residents and discuss any problems that might be occurring in their neighborhood.

The department should be commended for conducting the citizen police academy to interested township residents.

The unit was in the beginning stages of creating a domestic violence response team. The members of this team will be volunteer residents who will be utilized to go over the victim's rights and give advice and resources to victims of domestic violence. This results in victims getting the support that they need without having to take uniformed officers from their normal duties. In addition, it is felt that victims would feel less intimidated talking to their peers rather

than to uniformed officers. All members of the team are provided beepers in order to be contacted when their services are provided. This program was copied from another municipality in Mercer County.

Although not an original idea of the department, the review team feels that the domestic violence response team is an innovative program worthy of the classification of Best Practice. It provides the necessary support to victims of domestic violence without having to take uniformed officers from their normal duties.

Community Policing – Civilianization

In discussing the activities of the unit and observing some of the functions, it seemed to the review team that the uniformed officers were doing many duties that could be done by a civilian employee. Among other things, uniformed officers are utilized answering phone calls, copying voluminous program materials, compiling program packets, and maintaining unit records. The review team feels that one officer could potentially be eliminated (through attrition or transfer to fill another vacancy) and a full-time civilian employee be hired to complete all of the functions listed above. If this were to occur, the township would save \$87,210 in uniformed salary and benefit costs and replaces it with approximately \$35,000 to \$40,000 in salary and benefit costs for a civilian employee. The resulting savings to the township would be approximately \$47,210 per year.

Recommendation:

It is recommended the department consider eliminating one officer position from the unit (through attrition or transfer to fill another vacancy) and hire a civilian employee to complete the non-police duties listed above.

Cost Savings: \$47,210 (in salary and benefit costs)

Traffic Services

One lieutenant, one patrolman, and one civilian assistant staff the traffic function, which reports to the operations captain. Among other duties, these personnel are responsible for trying to limit motor vehicle offenses, investigating major accidents, reviewing accident reports by patrolmen, coordinating radar and DWI enforcement, investigating potential street signs, and supervising school crossing guards. The salary and benefit costs for this function was approximately \$240,034 during FY 2000, while school crossing guards cost an additional \$62,431. In addition to the full-time traffic services personnel, the department has a patrolman assigned to each patrol platoon that focuses on motor vehicle activity and investigating minor accident scenes.

During the review process it was told to the review team that the department had applied for a grant to hire additional officers to focus only on motor vehicle enforcement and thus relieve some of the duties of the traditional patrolmen. Towards the end of the review, it was told to the review team that the department's request was denied. Even if the department decides that it will increase the number of officers assigned to this function, the review team still feels that a sergeant could effectively supervise this function. The resulting savings would be approximately \$9,688 in salary costs.

Recommendation:

It is recommended the township consider downgrading the supervisory level in the traffic services function to a sergeant level.

Cost Savings: \$9,688

Detective Bureau

The detective bureau reports to the operations captain and consists of three units: criminal investigations (adult offenders), juvenile affairs, and narcotics. These personnel are responsible for investigating the criminal activity that occurs within the township. One lieutenant, two sergeants, seven detectives, and one civilian staff the detective bureau. The salary and benefit costs for this function was approximately \$891,021 in FY 2000.

The criminal investigation function consisted of one sergeant and four detectives, while the juvenile affairs function consisted of two detectives, and the narcotics function consisted of a sergeant and one detective. The bureau's lieutenant is responsible for the management of the bureau, while the two sergeants are responsible for assigning, monitoring, and reviewing the detective's casework.

The majority of the detectives work an eight-hour day from Monday to Friday, although there is night and weekend coverage on a rotating basis. Each of the detectives is also assigned to be on-call on a rotating basis. If a detective is called back to work while on call, they receive a minimum of two hours of overtime. Each of the officers is assigned vehicles to take home with them because of their on-call status.

Recommendation:

The review team does not feel that the township is large enough (land area) to warrant take home vehicles for its entire detective staff. This practice is costing the township a significant amount of money in the form of gasoline and additional maintenance. As such, we recommend the department consider only assigning take home vehicles to those detective whose turn it is to be "on call". If additional detectives are needed, it would not take those detectives much longer to drive their personal vehicles to the headquarters and pick up a township vehicle.

Detective Bureau – Staffing

LGBR has formulated some internal benchmarks concerning the appropriate number of detectives for a municipality. Through our reviews, we have found that efficient and effective detective functions have a crime to detective ratio of approximately 150 to 1 (as found in the Crime Index in the Uniform Crime Report). During 1999, the township had a crime index of 1,111. As a result, the ration of crime to detective is approximately 158 to 1. As a result of this analysis, interviews and observation, the review team feels that the bureau is properly staffed and conducts its operation in an efficient and effective manner.

The only recommendation that the review team would make would be to consider moving the juvenile affairs function under the sergeant in criminal investigations. Upon interviews with bureau personnel, the review team did feel that the juvenile affairs function was floundering due to a lack of direct supervision.

Recommendation:

It is recommended that the department consider moving the juvenile affairs function under the direct supervision of the sergeant in criminal investigations.

Records & Media Relations

This function reports to the administrative captain. A lieutenant and three civilians staff this function. The approximate salary and benefit cost of this function was \$247,183 during FY 2000.

The main responsibility of these personnel is to review all police reports from the patrolmen and enter completed reports into the departments computer system. In addition, the lieutenant is responsible for all of the department's media relations, monitoring the gasoline pump and gasoline usage in police vehicles, conducting background checks for various license applications, and maintains the departments copy and fax machines. The civilian personnel are also responsible for uniform crime reporting, handling discovery requests from attorneys, providing copies of reports to affected parties, and creating various department reports.

As is the case in many of the functions of the department, the review team feels that there does not need to be a lieutenant supervising this function. We feel that a sergeant would be appropriate. The resulting savings would be approximately \$9,688 in salary costs.

Recommendations:

It is recommended that the department consider utilizing a sergeant to oversee this function, as opposed to a lieutenant.

Cost Savings: \$9,688

It is recommended that the department consider transferring the monitoring of the gasoline pump and gasoline usage to the part-time vehicle maintenance officer.

Is it recommended that the department consider transferring the media relations function to one of the administrative officers of the department (deputy chief or captains).

One of the main concerns of the records staff is that they are receiving excessive amounts of reports that are either incomplete or are incorrect. This results in reports not being entered into the computer system in a timely manner and results in additional work for both the records staff and the officer who created the report. The incomplete and/or incorrect reports are being brought to the records bureau after both the patrol sergeant and lieutenant are supposed to have reviewed them.

Recommendation:

It is recommended that all officers be retrained in proper report writing techniques. In addition, the record bureau staff should meet with the patrol supervisors to go over the common mistakes that are being submitted.

The department has recently installed laptop computers into its patrol cars. At this point, however, they are basically only utilized by patrolmen to look up information. Patrolmen are not able to write their reports on the laptops and electronically transfer them to their supervisors and the records bureau. The department's computer staff was looking into the possibility of obtaining and installing a report writing module, but it was not one of their top priorities. The ability of an officer to write their reports on the laptops and electronically transfer them to the records bureau would significantly reduce the workload in the records function, as the clerical staff would not have to enter the information into the computer. They would only be responsible for ensuring the reports are both complete and accurate.

Recommendation:

It is recommended that the department seriously look into the possibility of obtaining and installing the report writing program on the patrol laptops.

One-time Value Added Expense: \$7,500

Property and Evidence

The property and evidence function reports to the administrative captain. One lieutenant is responsible for this function. The approximate salary and benefit cost for this function was approximately \$110,964 in FY 2000.

The lieutenant is responsible for logging and maintaining evidence, training the department's crime scene investigators and evidence technicians (who are assigned to the patrol platoons), investigating all major crime scenes, overseeing the crime lab, maintaining lost/found bicycles, etc. The review team feels that the lieutenant is doing a good job with this function, but since he does not oversee anyone, we feel that a sergeant, instead of a lieutenant, could complete this function. The resulting savings to the township would be approximately \$9,688 in salary costs.

Recommendation:

It is recommended that the township consider utilizing a sergeant for this position, instead of a lieutenant.

Cost Savings: \$9,688

Emergency Services

The emergency services function reports to the administrative captain. A lieutenant is responsible for the management and oversight of the function that includes the office of emergency management (discussed in its own section of the report), emergency medical services (discussed in its own section of the report), technology (discussed in its own section of the

report), and dispatching. In addition to the lieutenant, there is one sergeant and one patrolman. Both the sergeant and patrolman spend the majority of their time on the technology section, so their salary and benefit costs are discussed in that section.

Emergency Services – Dispatching

The sergeant, in addition to his technology duties, provides supervision to the departments dispatching function. A senior dispatcher provides additional supervision and oversight. At time of review, there were nine civilian dispatchers and one senior dispatcher. In addition to the full-time employees, the department usually has four or five per-diem employees that are utilized when the department can't supply two dispatchers with the full-time employees. During FY 2000, the approximate salary and benefit costs for the dispatching function was approximately \$469,487.

The dispatchers are only responsible for dispatching police related calls for service. All fire and emergency medical calls are transferred to the appropriate county dispatch center after an initial interview of the caller (to ensure that no police presence is required).

The department assigns two dispatchers to each patrol platoon. As a result, these eight dispatchers work 12-hour days, except for Mondays in which they work eight-hour days. This is done so that the dispatchers do not accumulate too much schedule adjustment time, as the 12-hour shift results in a work year in excess of a standard 2,080-hour work year. In addition to the eight dispatchers assigned to the platoons, the senior dispatcher and one other dispatcher work a steady Monday through Friday shift. One works from 7:00 a.m. to 3:00 p.m. and the other works from 3:00 p.m. to 11:00 p.m. This allows the department to cover for absences during these time periods without having to call people in on overtime. Department regulations require that at least two people are working as dispatchers at all times. There are three dispatching terminals within the department. In order to ensure that there are always two people dispatching, uniformed officers are sometimes utilized (when manpower permits) to cover the dispatch areas when the civilian dispatchers are on breaks. Otherwise, dispatchers will take their breaks in the dispatch center and respond to calls if the other dispatcher can't handle the call load.

One of the main problems in the dispatching function is that there is an excessive amount of turnover. Reasons supplied by the dispatching personnel included low salaries, having to work the 12-hour shift, and having to work many holidays. A review of department documentation showed that since 1997, the department has hired 17 dispatchers. Of those 17 dispatchers, only four are still employees of the township. Four other dispatchers went on to other dispatching jobs (presumably for more money) and the remaining nine went on to other careers. This high amount of hiring and turnover creates a couple of problems for the department. The first problem is that the senior dispatcher and the sergeant are responsible for a significant amount of training, thus taking them away from their other duties. The initial training for dispatchers is approximately 80 hours over a 10-week period. The second problem is that the dispatching function has a lot of newer employees who are not typically as comfortable with the position and often make more mistakes than "seasoned" dispatchers.

Recommendation:

It is recommended that the township conduct a salary survey of surrounding municipalities concerning civilian employees in the police department (specifically the dispatchers). If the township's salaries are found to be lower than the surrounding municipalities, it should consider raising salaries to competitive levels, so as to retain its civilian employees and reduce the amount of turnover.

It was noted to the review team that there were no guidelines or standard operating procedures that govern the work of the dispatchers to ensure consistency. Also, it was felt that dispatchers were not given adequate training throughout the year due to the fact that it would create an overtime situation.

Recommendations:

It is recommended that the department create standard operating procedures to govern the work of the civilian dispatchers.

It is recommended that the department discuss with the civilian dispatchers what training courses would be beneficial to their operation and create a plan to provide the agreed upon training to all dispatchers.

Vehicles and Vehicle Maintenance Officer

At time of review, the department had a total of 53 vehicles. That number is up from 39 vehicles in 1994. The department maintains 10 primary patrol vehicles and the rest are either patrol backups or assigned to various divisions and personnel. One reason why there are so many vehicles is that the department allows many of its higher ranking officers to take vehicles home each night.

Recommendation:

It is recommended that the department reconsider its policy of allowing so many vehicles to go home with employees each day. First of all, there are not that many emergencies that require officers to be called back to work during the year and the township is not that large where employees would waste much time by taking their personal vehicles to headquarters to pick up a department vehicle. It is estimated that at least 10 cars could be eliminated from the fleet by restructuring the take home policy for vehicles. This would save the department an undetermined amount of gasoline and vehicle repair costs.

According to the fleet manager, the department has vehicles that it could easily do without. Any vehicles deemed as unnecessary should be sold at auction as soon as possible.

The department currently leases its new police vehicles every year. The department utilizes a three-year leasing program. The department would like to stay on a schedule for purchasing new

vehicles every year, so that the fleet remains in decent condition year after year. The chief is proposing leasing eight vehicles in year one, four vehicles in year two and two vehicles in year three. During FY 2000, the township spent \$115,703 on the leasing program for new vehicles.

The review team fully supports a vehicle replacement program for police vehicles. As was stated in the finance section, though, the review team recommends that the township make as many future purchases as possible from the current fund and limit any financing arrangements (i.e., leases).

In addition to the costs associate with leasing the vehicles, the department spent \$29,156 on repairs and maintenance of vehicles and \$7,705 on tires. The department also pays for the services of a part-time person (a retired police officer) that acts as the fleet manager. The salary costs for this position was approximately \$22,571 during FY 2000. The fleet manager is responsible for installing new equipment on vehicles, scheduling vehicles for routine maintenance and repair work at the public works garage, providing a routine check of vehicles every Wednesday, ensuring that work on vehicles under warranty is done by the dealer, obtaining quotations for body work and extreme repair work, and doing very minor repair work (i.e., changing light bulbs). In addition to his work on police vehicles, this person also spends time assisting public works with the maintenance of the grounds around the municipal building.

The department should be commended for having a fleet manager to oversee the operation of the department's fleet. The review team feels that well maintained vehicles will result in the township being able to use the vehicles for additional years of service.

Internal Affairs

There is a lieutenant who is responsible for the internal affairs function and reports directly to the chief of police. This lieutenant is in the process of updating the rules and regulations that have not been updated since the 1960's, administering the department's random drug testing program, handling special projects assigned by the chief of police, and of course conducts investigations of improper actions by employees and/or employee misconduct. Minor investigations are typically handled by the commanding officer of the unit where the infraction took place. During FY 2000, the salary and benefit cost for this function was approximately \$110,964.

In talking to some of the chief administrative personnel of the department, the department does not have much of a problem with employee misconduct or improper actions, but it was their opinion that many problems could have been avoided had line supervisors been given adequate training.

Recommendation:

The department, upon discussion with the internal affairs officer, should provide additional training to line supervisors in those areas where most of the problems and investigations are occurring.

Employee Appraisals

The review team was surprised to hear that the department had a system of employee evaluation in place. Employee evaluations are essential in creating a professional workforce, as employees need to know what is expected of them and what, if anything, they could do to improve their performance.

The department is commended for having and utilizing an employee appraisal system.

Technology

The review team found extensive technology usage and integration throughout the police department. For example, the department installed mobile data terminals (MDT's) in patrol vehicles and is in the process of implementing a newly acquired records management system, which includes the source code. Additionally, the team was impressed with a Global Positioning System (GPS), that cost about \$3,000, that tracks the township's patrol vehicles and updates the vehicle location every five seconds. There are no additional cellular costs associated with the vehicle locator package as it runs off of the MDT's. Other technology initiatives found within the department include a photographic database of mug shots, a complex building security system, a personnel scheduling system and the municipal phone system.

The review team found that the department's network has connectivity with the Pennington Borough and Lawrenceville Township police departments for data sharing and that the department is also the beta test site for the new State Police NCIC 2000 computer system.

The review team feels that the GPS system is an effective way to monitor patrol activities and increase the safety of patrolmen on the road. We feel that this is a Best Practice that should be emulated in other communities.

MUNICIPAL COURT

While the team recognizes the separate authority and responsibility of the judicial branch of government, we have made the following comments and recommendations in an effort to provide the community with an assessment of current operations, procedures and programs carried out by the court. The recommendations made in this report are reviewed by appropriate judiciary personnel to determine if there are any conflicts with judiciary policy.

The court is responsible for receiving and processing complaints from various law enforcement organizations including state, county, and local police, local code enforcement officers, animal control officers and citizens. The court hears cases during three weekly sessions that are held on Monday evenings, Wednesday mornings, and Wednesday evenings. The team observed several court sessions during the course of the review and found them to be conducted in a professional manner by all court staff and non-court employees such as the municipal prosecutor and public defender. The judge's demeanor indicates a sense of fairness, compassion and understanding in dealing with defendants and attorneys.

Facilities

The courtroom is a modern, well-lighted, spacious room with the capacity to hold approximately 150 people other than court staff. The layout of the court facility provides access for the judge, court staff and prisoners to enter the court by two separate doors without having to pass through the public portion of the courtroom. Prisoners brought to court are separated from the public by a waist high partition. The judge's bench is shielded as required by the Administrative Office of the Courts (AOC) and there are alarm buttons that are linked to the police department. The police department provides security to the court by assigning a regularly scheduled police officer to the court while it is in session.

The entire court facility, with the exception of the violation bureau, is both modern and spacious and provides court staff and associated personnel with adequate storage, office, and conference space. The violation bureau, while ideally separated from the court office, is not large enough to meet their needs and serve the public. There is only one teller window available for staff to interact with the public.

Recommendation:

The area of the violations bureau should be reconfigured to better utilize the space available and provide another teller type window to enable the staff to serve the public in a more efficient and timely manner. The renovation work can be done by the in-house construction crew found in the public works function. The only additional cost to the municipality would be the undetermined cost of purchasing the necessary supplies and equipment.

Case Load

During the FY 1999, the court processed 11,518 new traffic cases and 1,165 new criminal cases. During the FY 2000, the court processed 9,738 new traffic cases and 1,519 new criminal cases. The resulting change in caseload from FY 1999 to FY 2000 is a decrease of 2,130 traffic cases and an increase of 354 criminal cases.

Staffing

The court staffing consists of nine employees, eight of which are full-time. The one part-time employee is the municipal judge. All nine of the court employees receive full health benefits. The following is a breakdown of the approximate salary and benefit costs for the FY 2000 attributed to the municipal court:

Title	Number of Positions	Full or Part-time	Position Value
Judge	1	Part-time	\$56,005
Court Administrator	1	Full-time	\$49,665
Principal Clerk Typist	2	Full-time	\$83,541
Senior Clerk Typist	1	Full-time	\$37,650
Clerk Typist	2	Full-time	\$60,939
Clerk Stenographer	1	Full-time	\$42,398
Account Clerk	1	Full-time	\$39,183
Total	9		\$369,381

Not included in the above salary costs is \$13,317 in overtime paid to four employees during the fiscal year.

Overtime & Compensatory Time

Court employees accrue overtime and compensatory time each time that they work evening court sessions and when they are required to perform duties as a result of calls from the police department during non-working hours. Each employee has the option of receiving monetary payments or compensatory time for time worked over and above the normal workweek. Both of these benefits are offered at a rate of 1-½ hours for each hour worked.

Evening Court Sessions

Besides the Wednesday morning court sessions, court is also held on Monday and Wednesday evenings. Three of the court employees are scheduled to work each of the court sessions. As stated in the previous paragraph, each of the court employees, except for the judge, receives overtime payments or compensatory time for each hour worked during the evening court sessions.

Besides receiving overtime or compensatory time for actual time worked during evening court sessions, each of the employees is allowed to leave one-half hour early from work during the normal workday. During FY 2000, there were 92 evening court sessions, which results in approximately 322 hours of lost productivity. At an average hourly rate of \$13 per hour, the township is spending approximately \$4,186 in salary costs for this benefit.

Recommendation:

The township should work to eliminate the practice of allowing court employees to leave work early on days in which there are evening court sessions.

Productivity Enhancement: \$4,186

Court sessions on Wednesday morning and then again in the evening makes an extraordinarily long and busy day for all of the court personnel. This can effect both alertness and attitude, which are important ingredients when dealing with the public. The review team conducted a cursory review of the evening court calendars for the FY 2000 and determined that based on the number of defendants per calendar there was no need for two separate sessions. We recommend conducting a slightly longer Monday evening court session and eliminating the Wednesday evening court session. This would eliminate the potential problems associated with having to work two court sessions during one day. Any backlog in cases that might occur could be addressed by holding special sessions throughout the course of the year.

Additionally, the review team does not feel that there is a need to pay all court personnel overtime for every hour worked during the evening court sessions. The review team recommends that the court institute a flex-time arrangement in which minimal staff would be utilized to open the court offices on Monday mornings and the rest of the staff come to work in the afternoon and work through the end of the court session. While the employees who work the normal workday would be given overtime or compensatory time for all hours worked during the evening court sessions, the afternoon employees would only be given these benefits for hours

worked in excess of the normal workday. Conservatively we estimate that 33% of court related overtime and compensatory time could be eliminated by combining the two evening court sessions into one and instituting a flex-time schedule for various court employees.

Recommendations:

The court should combine the evening court sessions into one session that meets on Monday evenings. Additionally, the court should institute a flex-time arrangement for various court employees on days in which there is an evening court session. We estimate a 33% reduction in court related overtime and compensatory time could be achieved through these recommendations.

Job Titles, Descriptions, and Responsibilities

With the exception of the judge and the court administrator, the court employees do not have court identified job titles. Although they have civil service titles regulated under the state civil service system, the titles do not reflect court-related duties. The assignment of non-related job titles makes it very difficult to set standards of performance by which employees may be assessed by management or for the employee to know what is expected of them. There are standards articulated in job descriptions issued by the New Jersey Department of Personnel that clearly define the duties, responsibilities and requirements of each level of municipal court employee.

Several years ago, the state legislature changed the title of court clerk to court administrator in order to reflect the true responsibility and complexity of the position. In addition to that, the Administrative Office of the Courts (AOC) has instituted a certified court administrator program in order to establish professional standards of competency for municipal court staff personnel. At this time, none of the court employees hold the certified court administrator certification.

During the interview and observation portion of the review process, it was noted by the review team that there was little, if any, cross-training or job sharing between the court employees. Court personnel were basically responsible only for those duties specifically assigned to them.

Recommendations:

The job titles of the court staff should be changed to accurately reflect their court-related duties and responsibilities.

Various court personnel, at a minimum of the court administrator, should enroll and complete the certified court administrator program to further the professional standards and competency of the Ewing Township Municipal Court. This is a free program available to court employees.

The court should cross-train its employees to be able to perform the various duties in court administration.

Municipal Judge

The judge serves a three-year term at the pleasure of the township council. The official appointment is made by council resolution. Qualification for such an appointment is articulated in state law and court rules promulgated by the New Jersey State Supreme Court. The review team could not find any document that articulates the conditions of the judge's employment, i.e., paid holidays, vacation time, sick leave. The team was told that the judge does take vacation and requires a substitute on other occasions. The court maintains no record of how many times the services of a substitute judge were required. The judge is a part-time employee and during the FY 2000 received a base salary of \$42,412 and health benefits at a cost of \$8,232.

Recommendations:

The township should enter into a formal agreement with the judge that clearly delineates the benefits and conditions of employment for the municipal court judge.

The township should discontinue the benefits package for this position, since it is only of a part-time nature.

Cost Savings: \$8,232

Maintenance of Accounts

The court maintains three bank accounts. The first account is a general account for depositing fines, costs, and other moneys. The second account is for criminal bail and the third account is for traffic bail. All of these accounts earn interest and have been doing so for just over one year. In reviewing the bank statements and records there was no indication that the accumulated interest had ever been turned over to the township. For the one-year period of August, 1999 to July, 2000, \$3,273 in accrued interest remained in the three accounts.

Recommendation:

The interest presently in the various accounts should be transferred to the township as revenue immediately. Additionally, such transfer of funds should occur on a monthly basis.

One-time Revenue Enhancement: \$3,273

Bail

The purpose of bail is to insure the appearance of a defendant in court to answer charges when scheduled by the court. The criteria for bail is set forth in court rules issued by the New Jersey Supreme Court. The court of jurisdiction in a matter before the court sets the amount of bail on a particular charge. Routinely, criminal bail amounts are higher than bail for traffic matters due to the degree of seriousness of the offense charged.

Bail may be posted either in cash or by a bail bond issued by an authorized insurance company through a local agent. Disposition of bail is determined by the outcome of a hearing and may result in the return of bail to the surety or the release of obligation to the bonding company or the forfeiture of such bail or bond, or the application of cash bail to fines and costs.

A review of the bail report for the Ewing court from July 1, 1999 to July 1, 2000 indicates a significant amount of bail subject to action. Criminal bail, both cash and non-cash, that is eligible for some type of disposable action rose from \$108,501 to \$310,643. Of these bail moneys, there is \$42,256 in cash-bail and \$268,387 in non-cash bail. The review team conservatively estimates that at least 10% of the total amount of bail subject to action is in forfeiture status. The court should look to dispose of forfeited bail moneys from the bail account and utilize those moneys as court revenue. If 10% of the bail account was in forfeiture status, approximately \$31,064 could be utilized as court revenue.

Recommendation:

The court should conduct a routine review and analysis of the Monthly Bail on Account report and act on all eligible cash and non-cash bail. If there are accounts eligible for forfeiture, the surety should be notified immediately and in the matter of non-cash bail a demand for the bond amount should be issued. The court should follow the AOC Directive #15-76, Procedure for Enforcement of Corporate Surety Bonds. The court should also consider refusing to accept bail-bonds from a surety that has failed to comply with a forfeiture order.

One-time Revenue Enhancement: \$31,064

Time Payments

Time payments are an accommodation made to defendants who cannot pay their fines in full at the time assessed. Time payments were considered valid and legal as a result of the DeBonis decision (State vs. DeBonis [58 NJ 182]). The intent of the DeBonis decision was to grant defendants a period of time to obtain money for a fine and pay that fine over a court-approved schedule. The intent, however, was not to burden the court with long drawn out payment schedules and delinquent accounts, although this is what is occurring in Ewing Township.

A defendant must apply to the court to be put on a time payment plan by filling out an Affidavit of Income and Expense (Form 5A). The judge then reviews this report. If the application is approved, a reasonable payment plan is established and the defendant agrees that he or she will make every effort to make payments as required. The agreed upon payment schedule is drawn up as an order and is entered into and tracked by the ATS/ACS court computer system. When payments fall into arrears, the system generates a series of notices advising of delinquency, will issue warrants as required, and will eventually suspend the driving privileges of the dependant for traffic offenses.

Time Payments – Magnitude of Delinquency

A review of the Time Payment Summary Report for the period ending November 5, 2000 shows that the court has a very high delinquent account percentage and a very low percentage of collections. Out of a total \$1,623,881 in outstanding fines and costs, \$1,572,774 or 97% is delinquent. Additionally, out of 3,943 time-payment accounts on record, 3,839 or 97.4% are in a delinquent status. The following chart represents the time payment activity for approved accounts in the ATS/ACS system.

	# of Time Payment Accts.	# of Delinq. Accts.	% of Delinq. Accts.	Amount Assessed	Amount Collected	Amount Outstanding	% Collected
Criminal	999	959	96%	\$384,989	\$26,003	\$358,986	6.80%
Traffic	2,944	2,880	98%	\$1,424,784	\$159,889	\$1,264,895	11.20%
Total	3,943	3,839	97.40%	\$1,809,773	\$185,892	\$1,623,881	10.30%

Among the delinquent time payment accounts, there are a number of accounts where the total fine assessed still remains outstanding. These amounts are as high as \$3,121 for traffic accounts and \$4,242 for criminal accounts. Additionally, there are 2,111 or 73% delinquent traffic accounts and 848 or 88% delinquent criminal accounts on which there have never been payments made.

Time Payments - Policies

The review team fully understands that there are a number of defendants that are destitute and cannot afford to pay the smallest amount at the time of trial and sentencing. A review of the time payment accounts, however, seems to indicate that there is a need for a stronger policy on the part of the court to require some payment initially as well as an adherence to the court ordered payment schedule. A minimum payment of \$25 at the time of sentencing on 2,500 of these accounts would have resulted in revenue already received by the township of \$62,500, of which the township would have retained the major portion. Additionally, the review team feels that the court should not allow time payments for fines and costs that fall below a court determined minimum.

Recommendations:

The court should institute a policy of requiring a minimum payment on fines when a defendant is granted a time payment plan.

The court should determine a minimum amount for time payment plans.

Time Payments – Collection Efforts

The review team notes that the court generates notices of delinquency, issues warrants, and suspends driver's licenses as directed by the ATS/ACS system. The police department only serves warrants for delinquent accounts if the defendant is stopped as a result of a motor vehicle violation or if the defendant is arrested for some other violation. The police department, however, does not routinely serve traffic and petty crime warrants. It is apparent to the review team that both the court and police department are doing the bare minimum in trying to address delinquent time payment accounts.

The review team feels that there are a few things that could be done by the township to address the significant delinquent time payment problem. The first option would be make a concerted effort to collect on delinquent funds with municipal staff. The township could allocate one of the existing court staff to try and trace the location and contact delinquent defendants. This court employee could at a minimum write correspondence and make telephone calls to the defendants last known address and request delinquent payments. Additionally, the township could make it a priority of the police department to serve warrants to those eligible defendants where the court

employee has contacted and confirmed residence, but has not been able to recoup any of the delinquent funds. Once the municipal personnel address the initial backlog, the review team does not feel that the daily workload in the court warrants the court employee being utilized again in the court. The elimination of one position in the court would result in a salary and benefit cost savings of approximately \$37,000.

The second option available to the township would be to contract with a collection agency, pursuant to P.L. 1997 C 212 to try and recoup monies due from the delinquent offenders. This service could be bid out by the township, but the review team estimates that the collection agency that provides the service could require a fee of up to 20% of all monies that are collected as a result of their efforts.

The final option available to the township would be to contract with the Comprehensive Enforcement Program (CEP) administered by the State of New Jersey. This program is similar to contracting with a collection agency. CEP will retain 25% of most of the money collected as a result of their efforts. CEP does not retain a fee for payments on delinquent parking tickets and a few other violations.

The review team brings the issue of delinquent time payment accounts to the forefront because of the significant amount of revenue that could be utilized by the township to offset municipal costs and services. All of the money that is received, however, would not be solely for use by the municipality, since much of those funds are payable to the appropriate state and county agencies. We conservatively estimate that 25% of all funds collected through any of the efforts described above will go to agencies other than the municipality.

If the township was, through one of the options above, able to reduce the amount of money owed from its delinquent time payments by 50% (based on a total outstanding of \$1,623,881), the amount of money that would initially be received by the township would be approximately \$811,941. If 25% (\$202,985) of that money were paid to the appropriate state and county agencies and 20% (\$162,388) was due to either the collection agency or CEP, the total amount of revenue that the township could realize, as a result of one of those two options, would be approximately \$446,568. If the township were able to receive a 50% revenue enhancement as a result of utilizing current municipal staff, the total amount of revenue that the township could realize would be approximately \$608,956.

Recommendation:

The township should utilize one of the three options discussed above to try and reduce the amount of money due as a result of delinquent time payment accounts.

One-time Revenue Enhancement: \$446,568 - \$608,956

Once the issue of delinquent time payment accounts is addressed, either by municipal efforts or contracting with an outside agency, we recommend that one position be eliminated from the present court staffing.

Cost Savings: \$37,000 (in salary and benefit costs)

Record Maintenance

The municipal court has been using the ATS system since 1989 and the ACS system since 1996. These systems provide for accuracy and completeness as well as archival, storage and retrieval. Another benefit of the computerized systems is that it reduces the amount of paper retained in file drawers. The ATS/ACS system notwithstanding, state law and court rules require the retention of the hard copy of specific court records for specific periods of time based upon their function and status.

While reviewing various records and printouts from the municipal court, it was noted that there were many ATS/ACS reports that were not required and were for information purposes only. These reports are kept in binders that are cumbersome and are all kept together in no semblance of order. The ATS/ACS Financial Procedures Manual issued by the AOC, dated February, 1999, contains a schedule of reports and their retention requirement. There is also a retention schedule for municipal court records promulgated by the Department of State, Division of Archives and Record Management and approved by the AOC. This schedule provides a listing of all records including non-ATS/ACS reports and their required retention schedule.

The last two requests by the court to dispose of records occurred in 1999 and 2000 and indicate disposal of traffic summonses only.

Recommendation:

The court should review all retention schedules pertaining to municipal court records and remove those records that are not necessary to be held. Additionally, the retention of various ATS/ACS reports required should be kept separated according to purpose, since they all have different retention requirements.

MUNICIPAL PROSECUTOR AND PUBLIC DEFENDER

While the review team understands that neither the municipal prosecutor nor the public defender are municipal court employees, we feel that it is appropriate to discuss their activities in the municipal court section of this report as their duties and responsibilities are most closely tied to the municipal court function.

The township contracts with a local law firm to provide prosecutorial service in the court at an annual cost of \$26,211 payable in twelve monthly installments. The prosecutor attends all court sessions and handles each and every case that comes before the court. While observing court sessions, the review team found that the prosecutor was adept at handling the caseload and was able to maintain a constant flow of cases before the court. This results in efficiently processing defendants and cases through the system and reducing court time.

In accordance with N.J.S.A. 2B:24-1 et. seq., the township provides for a public defender in the municipal court through a contract with a local law firm at a cost of \$15,000 per year payable in 12 monthly installments. The public defender represents those defendants who are unable to afford outside legal counsel at market rates. The court does not keep a record of the actual

number of public defender assignments, but during FY 2000 the public defender appeared in court 82 times representing various defendants. Some appearances were for the same defendant on multiple occasions, while other appearances were for the same defendant facing multiple charges.

The court does not assess defendants a fee when granted the services of the public defender, although they are allowed to charge up to \$200 per defendant per occurrence. If all 82 appearances that the public defender attended in FY 2000 were for individual defendants and the court assessed a \$100 fee, the court would have obtained revenue in the amount of \$8,200 that could have been utilized to offset the \$15,000 annual cost. Without the court keeping appropriate records of public defender assignments, it was impossible for the review team to determine the actual amount of revenue that could have been received.

Recommendations:

The court should begin recording the number and identity of public defender assignees. The township could utilize this information to determine future amounts paid for public defender services.

The court should begin to more closely scrutinize the Application to Establish Indigence (Form 5A) and assess a fee to those applicants who have the ability to pay for the public defender services provided to them. This fee could be graduated according to the number of charges against the applicant. The review team feels that a minimum assessment of \$100 is not unreasonable for the services provided.

Revenue Enhancement: \$8,200

FIRE DEPARTMENT

There are three separate fire companies that provide fire protection services to the township. The first is the Prospect Heights Volunteer Fire Company #1 ("Prospect Heights"), which was established in 1902. The second is the Pennington Road Fire Company and First Aid Unit ("Pennington Road"), which was established in 1924. The third, and final company, is the West Trenton Volunteer Fire Company ("West Trenton"), which was established in 1947.

Originally these three fire companies were classified as fire districts with the authorization to assess a fire tax upon the communities that they serve. "Pennington Road" disbanded its fire district status in 1991 through an ordinance passed by the township council, while the other two have maintained their fire district status, but basically in name only. They no longer levy taxes on the community, but rather receive support themselves through the township's budget process. A board of fire commissioners, who are both unpaid and don't maintain any office or staff, governs each of the fire districts.

Workload

All three companies participate in the National Fire Incident Reporting System (NFIRS). The following chart represents the activity of each of the township's three fire companies during 1999:

	Prospect Heights	Pennington Road	West Trenton	Total
Structure Fires	23	19	32	74
Hazardous Conditions	85	36	42	163
Rescue Calls	11	18	36	65
Service Calls	35	23	83	141
False Alarm Calls	145	102	227	474
Other (Training, Meetings, Drills, etc.)	118	54	71	243
Total	417	252	491	1,160

Insurance Rating Office (ISO)

The ISO is an independent statistical rating and advisory organization that serves the property and casualty insurance industry. The ISO collects and analyzes municipal fire data using its Fire Suppression Rating Schedule. From this data, the ISO then assigns a public protection classification ranking from 1 to 10 to the municipality. A class 1 ranking represents outstanding public protection, while a class 10 ranking indicates no recognizable protection. In 1993, the ISO graded Ewing as class 4 municipality, which is among the best available for a volunteer fire department. ISO field representatives typically evaluate communities with a population of 25,000 or more, like Ewing, every 10 years. Earlier evaluations will occur if the ISO finds a significant change in a municipality's public fire protection or if a community requests a re-survey.

Financial

During the FY 2000, the municipality supported the operation of the three volunteer fire companies with \$376,500. In addition to this money, the municipality paid approximately \$172,108 in salary and benefit costs to the paid firefighters and an additional \$3,420 in overtime costs to those same employees. This brings the total amount of funding for fire services to approximately \$552,028 per year. The following chart breaks down the municipality's funding of the fire service in FY 2000:

Category	Disbursed	Encumbered	Total Paid
Aid to Fire Companies (Unrestricted: \$30,000 per Company)	\$90,000	\$0	\$90,000
Other Expenses (New Equipment)	\$15,022	\$7,819	\$22,841
Prospect Heights – Other Expenses	\$96,290	\$0	\$96,290
West Trenton – Other Expenses	\$91,319	\$3,306	\$94,625
Pennington Road – Other Expenses	\$57,013	\$15,731	\$72,744
Salaries & Benefits – Paid Firefighters	\$172,108	\$0	\$172,108
Overtime – Paid Firefighters	\$3,420	\$0	\$3,420
Total	\$525,172	\$26,856	\$552,028

The “other expense” category for the three companies covers office supplies, repairs and maintenance, uniforms, schools and training, utilities, and other direct costs. Since the volunteer companies at Prospect Heights and West Trenton own their firehouses, the municipality makes lease payments to those companies to store the fire apparatus and equipment. Those lease payments are included in the “other expense” categories and can be used for the operation of the volunteer companies. The municipality made a \$10,416 lease payment to Prospect Heights and a \$28,345 least payment to West Trenton during FY 2000.

Staffing & Personnel

Aside for a few paid firefighters, the township basically relies on volunteers for its fire suppression services. At time of the review, there were a total of 188 volunteers on the rosters of the three fire companies. There were 52 active members at “Prospect Heights,” 71 active members at “Pennington Road,” and 65 active members at “West Trenton.”

Each of the companies stated to the review team that there were adequate numbers of volunteers at present time and that there was generally good response by those volunteers. Response to calls generally depends on the nature of the call. For example, a structure fire will generally get a high number of respondents, while an alarm system that sounds will generally receive minimal response (due in part to the high number of false alarms). Response data was unavailable to the review team as a result of insufficient records being kept.

Recommendation:

The township should ensure that appropriate response data be kept by all of the fire companies. This information, at a minimum, should include the number of people responding to the call, average time to get the apparatus out of the fire house, average time to the scene of the call, and average time spent on the call.

Besides the volunteers, there are also three paid, full-time firefighters employed by the township. These paid personnel work an eight-hour day from Monday through Friday during the daytime hours. There is one paid firefighter assigned to each of the fire companies. These paid firefighters, when working, act as the initial driver to the fire scene, provide maintenance to the company apparatus, and clean and maintain the firehouse to which they are stationed. The hiring of paid, full-time firefighters is a result of there being less volunteers available to respond to calls for service during the daytime hours, since many of the volunteers are working. This scenario is not unique to Ewing. It is becoming more and more common for municipalities to hire full-time firefighters to supplement the volunteer ranks during those times of day when there is generally a lower response of volunteer firefighters.

During the course of the review, the review team became aware that there was a request by the fire companies to increase the amount of paid personnel on duty during the daytime hours. In discussions with the mayor and administration, we were told that the township was looking into the possibility of increasing the number of paid firefighters from one per fire company to two per fire company. That would bring the total number of paid firefighters up from three to six.

The review team agrees with increasing the number of paid firefighters within the township during the daytime hours from Monday through Friday, but we recommend only two additional firefighters are hired. Additionally, we recommend that all of the paid firefighters be stationed at the Pennington Road firehouse, instead of having them spread throughout the township.

Increasing the total number of paid firefighters to five and stationing all of them at the Pennington Road firehouse would create an immediate response unit to all fire calls during the daytime hours from Monday through Friday. Presently, the paid personnel must wait at the firehouse for enough volunteers to staff a piece of equipment before it leaves the building. Having five firefighters would allow for one person to be off on leave while still having enough firefighters on duty (4) to effectuate an immediate response, effectively utilize the equipment and comply with recognized guidelines.

The National Fire Protection Association (NFPA) handbook states “it has been demonstrated that when staffing falls below four firefighters per company, fire ground effectiveness may be compromised. Tests conducted with the Dallas, Texas Fire Department indicated that staffing below a crew size of four can overtax the operating force and lead to higher losses.” Also, NFPA 1,500 states “In the initial stages of an incident where only one team is operating in the hazardous area at a working structural fire, a minimum of four individuals is required.” Finally, it is understood in the fire suppression service that there is a direct relationship between the initial response to the scene of a fire and the resulting damage from that fire.

Additionally, having an immediate response unit will have a positive impact on the volunteers. These paid personnel could be utilized to respond to all alarm calls and service calls during their tour of duty before any volunteers are dispatched. If these calls require additional assistance then volunteers could be summoned, instead of having volunteers leave their home or work only to find out that their services were not needed. The township should also consider training the paid firefighters as fire safety inspectors and/or emergency medical technicians (EMT’s). Since there is often considerable time between emergency fire calls, the paid firefighters could be used to assist the fire prevention bureau with fire safety inspections and/or be utilized as back-ups to the township’s paid ambulance service.

Recommendations:

The review team agrees with the township hiring additional paid firefighters, but we recommend the hiring of only two, instead of three. This would bring the full-time complement of paid firefighters up to five.

Value Added Expense: \$114,738 (in salary & benefit costs)

The township should station all of the paid firefighters at the Pennington Road firehouse so as to create an immediate response unit.

The township should consider training and utilizing the paid firefighters as EMT’s and/or fire safety inspectors.

Equipment

The following chart identifies the fire suppression apparatus located at each of the three fire companies (GPM stands for Gallons Per Minute, which represents the rate of water flow through the apparatus). Besides the fire apparatus, there also 13 other vehicles and pieces of equipment. Besides one lighting unit and three boats available for use by all of the companies, each company has one vehicle for the fire chief, one vehicle for the deputy chief, and one pick-up truck. All of the apparatus, vehicles, and pieces of equipment are owned by the township.

Prospect Heights	Pennington Road	West Trenton
1996 Pumper (2,000 GPM)	1997 Pumper/Squirt (1,500 GPM)	1991 Pumper (2,000 GPM)
1991 Pumper/Squirt (2,000 GPM)	1986 Pumper (2,000 GPM)	1986 Pumper (2,000 GPM)
1981 Pumper (2,000 GPM)	1981 Pumper (1,500 GPM)	1986 Tower Ladder/Quint (2,000 GPM Pump)
1986 Tower Ladder Truck (2,000 GPM pump)	1992 Rescue Unit	1988 Rescue Unit

The review team found the apparatus, vehicles, and equipment to be well-maintained and in good condition. Additionally, the review team found that the apparatus is in compliance with the NFPA guidelines regarding the acceptable “service life” of front-line and reserve apparatus. The NFPA states that, “The normal life expectancy for first line apparatus will vary from city to city, depending upon the amount of use the equipment receives and the adequacy of the maintenance program. In general, a 10 to 15 year life expectancy is considered normal for first line pumping engines. First-line ladder trucks should have a normal life expectancy of at least 15 years. In fire departments where ladder trucks make substantially fewer responses to alarms than engines, a planned first-line service of 20 years may be warranted for ladder trucks. Some smaller departments that have infrequent alarms operate pumping engines up to 20 years with reasonable efficiency, although obsolescence will make older apparatus less desirable, even if it is mechanically functional. In some types of service, including areas of high-fire frequency, a limit of 10 years may be reasonable for first-line service. The older apparatus may be maintained as part of the reserve fleet, as long as it is in good condition, but in almost no case should the fire department rely on an apparatus more than 25 years old.” Based upon our analysis and the usage of the apparatus, we feel that the fire suppression service in Ewing is consistent with what the NFPA classifies as a smaller department with substantially fewer alarms and apparatus responses. Based upon that classification, we feel that Ewing is a community in which well-maintained pumping engines should generally be utilized as a front-line apparatus for approximately 20 years and well-maintained ladder trucks should generally be utilized as a front-line apparatus for approximately 20 years. Additionally, we recommend that the township should determine its fire equipment needs in total, as opposed to equipping each fire company individually.

Recommendation:

The township should begin determining its fire equipment needs in total as opposed to equipping each fire company individually.

Equipment (Response Policies)

The NFPA recommends two engine companies, one ladder company and a chief officer as the basic fire department response to residential structure fires and low-hazard occupancies, which is the make-up of the majority of Ewing Township. For high hazard occupancies, such as schools, hospitals, industrial complexes, and high-rise buildings, the NFPA recommends an initial response of four pumpers, two ladders companies and two chief officers. All three companies respond to all reports of a structure fire and other serious calls. Upon reviewing the response procedures, the review team feels that the previously stated NFPA standards are being conformed to. Additionally, the review team feels that there is more than enough apparatus to effectively provide fire protection service to the township while complying with NFPA recommendations.

Equipment (Size of Fleet)

The following paragraphs, in addition to response procedures and equipment life expectancies, are provided to determine the appropriate amount of equipment needed to provide effective fire protection to the township.

The entire township is serviced by fire hydrants and water is mainly distributed throughout the system by 6" and 8" water mains. Some areas of the municipality are serviced by 12" water mains and a few areas are serviced by 16" water mains. According to a publication by the International Fire Service Training Association (IFSTA), average flows of water through a circular pipe are as follows:

6" Water Main	740 Gallons Per Minute
8" Water Main	1,575 Gallons Per Minute
12" Water Main	4,650 Gallons Per Minute

The actual flow through these water mains will vary. Water mains will deliver more water with higher pressure and deliver less water if the system contains flow obstructions, such as incrustations, valves, sediment deposits, foreign matter, and malicious damage. At present time, each individual fire company has enough pumpers, at rated capacity, to fully utilize the available water from any 6" or 8" water main. Additionally, two of the companies have enough pumpers to fully utilize the available water from a 12" water main, while the other company can utilize approximately 86% of the available water.

Besides having enough pumpers to basically utilize all of the water available in the water mains at a fire scene, each company basically has enough pumpers to utilize the available water to control the majority of potential fires that would occur within the township.

There are several methods used to calculate the water flow required to control a fire at non-sprinkled buildings. One comprehensive and generally accepted formula is provided by the ISO. The ISO method considers building construction, occupancy, adjacent exposed buildings and communication paths between buildings. Based upon the ISO formula, the IFSTA has published a table that provides the required water flow needed at different fire scenes. This chart shows that a smaller 2-story home of 1,250 square feet requires 1,375 gallons per minute of water flow to control a major fire, while a major fire at a "strip mall" of 25,000 square feet requires 4,250

gallons per minute of water flow to effectively control the fire scene. The majority of potential fire calls in the township would fall between these two scenarios. As is the case when comparing the amount of equipment at each company to the amount of available water, each company basically has enough pumpers to control the majority of potential fires that might occur within the township.

Based upon the amount of water available at a fire scene and the amount of water needed to control the majority of fires that could potentially occur within the township, we recommend that the total number of pumpers be reduced from eight to six. Reducing the number of pumpers to six would still allow the township to maintain compliance with the NFPA recommendation for a response to structure fires. Under this scenario, there would still be enough additional apparatus to assist with major fires at large facilities, respond to a rare instance of a second simultaneous structure fire or call for service, or to assist in relaying water from a larger capacity main that may be a significant distance away from the fire scene. It should be noted that there are mutual aid agreements in place with surrounding communities to assist the Ewing fire companies in those instances where additional resources are needed and can't be provided by the Ewing Township volunteers.

Recommendation:

It is recommended that the township reduce the number of pumpers from eight to six. The review team estimates that the two 1981 pumpers could be sold for approximately \$30,000 each and result in a one-time revenue to the township of approximately \$60,000. Additionally, the township would realize a cost avoidance of between \$800,000 to \$900,000 of not having to replace two pumpers.

**One-time Revenue Enhancement: \$60,000
Cost Avoidance: \$800,000 - \$900,000**

It was reported to the review team that where is a third pumper in a fire station it is sometimes dispatched to fires, but its primary purpose was for transportation and not for actually working to control the fire scene. As a result, we recommend that the township consider purchasing some passenger vehicles, such as vans, to transport those volunteers that do not respond to the firehouse in time to be transported to the fire scene on the fire apparatus. We estimate a cost of approximately \$25,000 per vehicle purchased.

Recommendation:

The township, after reducing the number of pumpers from eight to six, should purchase a passenger vehicle for each of three companies to transport those volunteers who do not respond to the firehouse in time to be transported to the fire scene on the fire apparatus.

One-time Value Added Expense: \$75,000

Equipment (Replacement Policy)

In looking over when the fire equipment was purchased, it was easy to tell that there was no plan in place to consistently replace equipment so that there were no undue financial burdens on the

township at any one period. For example, two pieces of equipment were purchased in both 1981 and 1991 and four pieces of equipment were purchased in 1986. If the township were to implement the review team's recommendation to reduce the number of pumpers from eight to six, it would give the township time to create and implement a replacement policy for fire equipment. When the township reaches the year 2006, all four of the pieces of equipment purchased in 1986 will be at the limit of its serviceable life as a front line apparatus. As a result, we recommend that the township create and implement a replacement plan for fire apparatus that tries to schedule the purchasing of fire equipment every two years. Since township apparatus should have a 20 year serviceable life on the front line and since we recommend a total equipment complement of 10 for the township, a properly planned and implemented replacement plan should result in no more than one piece of equipment being purchased at any one time. That would limit the amount of budgetary impact to about \$500,000 per occurrence, as opposed to a \$2,000,000 impact if the township were to purchase four pieces of equipment at one time. We recommend that the township implement a replacement plan for fire equipment as soon as possible.

Recommendation:

It is recommended that the township create a replacement plan for fire equipment that tries to replace one piece of equipment every two years. This would result in township not having to fund the purchase of more than one piece of equipment in any one year and would ensure that no apparatus would exceed its serviceable life of 20 years as a front-line apparatus.

Facilities

Each of the three fire companies has one fire station with four bays for equipment and apparatus. There is also a banquet hall located at each fire station. The buildings for Prospect Heights and for West Trenton are owned and maintained by the respective fire companies. As stated earlier, Prospect Height receives \$10,416 and West Trenton receives \$28,245 in lease payments from the municipality to store fire apparatus and equipment in the firehouses.

The Pennington Road company does not receive lease payments for storage of township fire equipment, as a result of the township dissolving the Ewing Township Fire District 2 (which was also known as the Pennington Road Fire Company) in 1991. New Jersey law requires that if a municipality dissolves a fire district the municipality must pay the existing debt of said district. As a result of dissolving the fire district, the township adopted a bond ordinance not to exceed \$2,500,000 to provide for all of the outstanding obligations of Fire District 2. Included in these obligations was the debt incurred to build the new fire station about eight years ago.

Based upon our observations, the proximity of the firehouses, and the cost of maintaining separate structures, the review team thinks there is an opportunity to close one of the firehouses. Under this arrangement, we feel the same high level of fire protection would still be offered, while maintaining the separate and historic identities of the three volunteer entities.

The Prospect Heights company is located on Ninth Street, while the Pennington Road company is located approximately 1.3 miles west on Pennington Road. The team reviewed the response

areas of both companies. The team also traveled to the three farthest points in the area of responsibility of the Prospect Heights company and compared those distances to the travel distances from Pennington Road. We did not pinpoint any location to the east of the fire station because of its close proximity to the township border. The results are shown in the following chart:

Response Location	Distance From Prospect Heights	Distance From Pennington Road
Bunker Hill Road (North)	3 road miles	3 road miles
Ingram Avenue (South)	1.4 road miles	2.0 road miles
Lower Ferry Rd & Parkway (West)	2.3 road miles	2.1 road miles

As you can clearly see from the above chart, both the Prospect Heights and Pennington Road companies have similar response areas. As a result, we recommend that the township consider closing the Prospect Heights firehouse and house the Prospect Heights company at the Pennington Road firehouse, along with the Pennington Road company. Even though they would be housed at the same facility, they still could maintain their own separate response areas. The Pennington Road facility is relatively new and has four-bays with a capacity of two pieces of equipment per bay. We feel that the residents of the township in these areas will receive as good, if not better, fire protection service, since the response areas are so similar and since we recommend that the immediate response unit (paid firefighters) be stationed at the Pennington Road facility during the daytime hours from Monday through Friday.

The closing of the Prospect Heights firehouse would allow the township to realize savings as a result of not having to maintain the building and pay the associated utility costs. We estimate that 1/3 of the Prospect Heights “other expense” line item and the annual lease payment of \$10,416 could be saved if the firehouse were closed. That would result in savings to the township of approximately \$39,041.

Under this arrangement, we would propose that the Prospect Heights company be considered the “Aerial” company and the Pennington Road company be considered the “Rescue” company. The following chart represents a possible dissemination of equipment to the two companies being housed at Pennington Road. The immediate response unit should utilize the equipment of both fire companies to respond to calls when on duty. The equipment used should be rotated, so as not to put undue mileage on any one piece of equipment.

Prospect Heights Volunteer Company	Pennington Road Volunteer Company
1996 Pumper	1997 Pumper/Squirt
1991 Pumper/Squirt	1986 Pumper
1986 Ladder Truck	1992 Rescue Unit

The team realizes the history and dedication of the Prospect Heights Fire Company to the Township of Ewing. We feel it is important to preserve that history in the memory of all those firefighters who served to protect the lives and property of their fellow citizens over the past 98 years. The Prospect Height Fire Company is more than just a building that houses fire protection equipment. It is the human involvement of individuals that have volunteered their personal time, time that would otherwise be spent with their families, to respond to calls for assistance from

their neighbors. The township needs to carefully balance addressing the changing dynamics of the township, as concerns fire protection, with the needs for the community to remember and show appreciation for their volunteer firefighters. With that in mind, we would support the township maintaining the \$30,000 contribution to all three of the volunteer companies.

Recommendation:

The township should work to move the Prospect Heights Fire Company and the township apparatus to the Pennington Road Firehouse, but allow both volunteer companies to maintain their separate identities and history.

Cost Savings: \$39,041

FIRE PREVENTION & INSPECTION

The New Jersey Uniform Fire Safety Code, set forth in the New Jersey Uniform Fire Safety Act, is locally enforced by fire prevention personnel who work under the department of community and economic development. These personnel are charged with enforcing all fire safety regulations in all buildings, structures, and premises other than residential one and two family dwellings.

Staffing

There is a fire official and two full-time fire prevention inspectors who enforce the Uniform Fire Safety function. The mayor appoints the fire official, who is also the construction official. The inspectors are responsible to inspect all required buildings for compliance with fire safety regulations. In addition to their fire safety duties, the inspectors are also utilized to perform inspections on multiple family dwellings, investigate housing complaints, and inspect structures to ensure compliance with the township's property maintenance code. The fire official has limited fire safety duties, as he provides administrative follow-up to fire safety violations and investigates major fires to determine cause and origin. The clerical staff in the construction code enforcement office assists with administrative duties associated with the fire safety function.

Financial

During the FY 2000, the approximate salary and benefit costs for this function were \$91,108 and overtime costs were \$345. These funds were paid out of the township's current fund budget. The previously stated salary costs do not include the fire official or the office staff, as their salaries are fully paid out of the construction code revenues. All other expenses and costs are paid out of the construction code revenues as well.

Workload

During the calendar year 1999, the inspectors conducted 2,741 fire safety inspections, as well as 2,987 building and housing inspections. Of those 2,741 fire safety inspections, 373 were Life Hazard Use (LHU) inspections and 695 were smoke detector inspections. The LHU inspections are conducted on an annual basis, as is required. There was \$55,289 in revenue generated as a

result of LHU inspections and \$21,245 in revenue generated as a result of smoke detector inspections. In addition, the fire official issued various fire safety permits that resulted in \$30,590 in revenue and two fire safety violations that resulted in fines of \$9,100.

The fire inspectors also conduct non-LHU inspections. Although many municipalities assess fees for non-LHU inspections, these non-LHU dwellings are not registered and fees are not assessed when inspected. Fees are not assessed for these non-LHU inspections because the township does not want to place any additional financial burden on the small business owners that makes up a large portion of the township's commercial ratables.

The township should be commended for their consolidation of the fire prevention bureau duties with the construction code office. Under this arrangement, the township is effectively utilizing its personnel and the use of combined staff allows for the sharing of information on the various township buildings and building uses.

EMERGENCY MEDICAL SERVICES (EMS)

The EMS function is supplied to township residents by both paid personnel (Ewing Emergency Medical Service – Squad 139) and a volunteer organization (Pennington Road First Aid Squad -- Squad 132). The response by either organization is dependent on the time of day and day of the week. The paid personnel respond to calls for medical assistance from 6:00 a.m. to 10:00 p.m. from Monday through Friday, while the volunteers primarily respond during all other times of the week and holidays. The volunteers will also be called to respond during those times when the paid personnel are busy with other calls for assistance. During 1999, the paid personnel responded to 1,865 calls for service, including 292 mutual aid requests and the volunteers responded to 1,362 calls for service, including 285 mutual aid requests.

Paid EMS

The Ewing Emergency Medical Service (Squad 139) consists of four full-time emergency medical technicians (EMT's), one EMT supervisor (who also responds to calls for assistance), and typically about 10 per-diem EMT's. This paid EMS service is under the auspices of the police department, reporting to the lieutenant assigned to the office of emergency services.

All of the paid employees hold at least an EMT-B certification and a certification in Cardio Pulmonary Resuscitation (CPR). The majority of the paid employees are also certified in the use of semi-automatic defibrillators. Five of the personnel are also volunteer firefighters and are certified in various aspects of heavy and tactical rescue.

Volunteer EMS

The Pennington Road First Aid Squad (Squad 132) was incorporated in 1924 into the Pennington Road Fire Company and First Aid Unit. At time of review, there were 45 volunteers. Each of the volunteers is a certified EMT and certified in the use of cardiac defibrillators.

Financial

According to payroll information, the township paid approximately \$255,588 in salary and benefit costs to the paid personnel during FY 2000. Not included in these salary costs was approximately \$27,000 in overtime. The other expenses paid by the township for the paid EMS function was \$9,810.

The township provides no direct monetary contribution to the Pennington Road First Aid Squad, although various costs, such as utilities and maintenance, are provided for through the other expense line for the Pennington Road Fire Department. Major equipment and most smaller equipment and supplies are purchased by the volunteer company through donated funds, with some assistance from the Pennington Road Fire Company. According to the financial records for the fiscal year ending 9/15/00, the first aid squad received \$55,191 in donations and had expenses of \$57,340. Included in the expenses is an ambulance loan principal of \$17,474, insurance on the vehicles of \$10,000, and other EMS equipment of \$6,515.

Equipment

The paid EMT's operate two 1997 basic life support (BLS) vehicles. These vehicles were purchased by and are owned by the township. The supervisor has a passenger vehicle at his/her disposal to respond to calls for assistance. This vehicle is fully equipped to operate as a first responder unit to both EMS and fire emergencies. The BLS units are driven approximately 10,000 miles per year and are well maintained.

The Pennington Road First Aid Squad also operates two BLS units. Both units are owned and maintained by the volunteer organization. At time of the review, one of the units was 14 years old and had approximately 53,000 miles, while the other unit was only one year old and had approximately 12,000 miles.

Dispatching

The township is currently getting its EMS dispatching services from a joint communications provider located in Mercer County. In addition to dispatching for Ewing, this provider also dispatches EMS calls for Hightstown Borough, Trenton City, Hamilton Township, Hopewell Township, and Pennington Borough. The annual cost for dispatching services through this arrangement is approximately \$10,000 per year. Under this arrangement, the police dispatchers receive all initial emergency calls from residents and then transfer the EMS calls to the joint communications provider. Once the call has been transferred, the provider is responsible for all radio communications from the scene and for any requests for additional equipment.

Expansion of Coverage & Resource Recovery (Billing)

During the review process, the Office of Emergency Services submitted a proposal to the township to increase the quality of the EMS service being provided to the residents, while reducing the overall cost of the service as a result of billing insurance companies for services provided. Through its proposal, they are suggesting expanding the paid EMS function to full seven-day per week coverage for all hours of the day. According to the proposal, "the primary reason for increasing the service is to provide professional emergency medical care to our residents in a more timely fashion. Statistics from the American Heart Association show that

victims of cardiac arrest have a better chance of survival if professional intervention by some means of defibrillation and CPR is introduced early in the incident. This becomes a reality with around the clock career EMS.”

Under this proposal, a significant hiring of employees would have to occur. Option “A” proposes hiring four additional full-time personnel, bringing the total cost of the EMS function up to approximately \$534,000. Option “B” proposes hiring two additional full-time personnel and some “per-diem” personnel, bringing the total cost of the EMS function up to approximately \$490,800. As a result, the increased cost to the township would be between approximately \$198,402 and \$241,602. No where in the proposal is the issue of vehicles and equipment addressed. Under the proposal, the paid personnel will still utilize the two “rigs” currently in operation. Since under this proposal the “rigs” will be going on many more calls for service, there will be a need to replace them on a much more frequent basis. As a result, the review team recommends that if this proposal is implemented, the township should place at least \$25,000 per year aside for vehicle replacement, repairs and fuel costs. This would bring the total cost of the program up to between \$515,800 and \$559,000...an increased cost to the township of between approximately \$223,402 and \$266,602.

To support the additional cost of this expansion, the proposal includes the implementation of a resource recovery (billing) system. This would allow the municipality to be reimbursed, through a resident’s insurance company, for medical services and transports provided. The paid EMS personnel conducted a 30-day survey of all transported patients and found that 95% carried some sort of medical insurance that would provide some reimbursement for services.

The EMS personnel utilized a vendor to determine how much money the township would receive through billing efforts. Based upon an average number of transports throughout the year, the proposal estimates that the township would receive between \$436,968 and \$509,796 in revenue through a resource recovery system. This is based upon the township receiving a reimbursement rate from insurance sources of 60-70% on potential receivables. In the proposal, it states that depending on the make-up of the municipality, the vendor’s fee for the billing services could be up to 15%. If a 15% fee was assessed to the potential revenue, the total revenue that the township could actually utilize to offset costs would be between \$371,423 and \$433,327.

If we utilize the highest potential cost of \$559,000 and the lowest potential revenue to the township of \$371,423, we would find a total cost to the municipality of approximately \$187,577. When compared to the FY 2000 costs of \$292,398, the resulting savings to the township, at a minimum, could be \$104,821. The review team feels that the savings presented in the previous sentence is conservative and that going to a fully-paid EMS service makes sense for Ewing Township. By going to a fully paid EMS service, the residents will be paying less for the service while receiving quicker responses for EMS calls.

Recommendation:

The township should consider implementing a fully paid EMS service and a resource recovery system to help offset the costs of the services being provided. It appears to the review team that this arrangement would be one that is financially beneficial to the township and the residents. In addition, we feel that services provided would be enhanced.

Cost Savings: \$104,821

Going to a fully paid EMS service will not work without the support and assistance of the volunteers in the Pennington Road First Aid Squad. In no way does the review team feel that the volunteer company is no longer essential to the community or the EMS function. In order to provide higher levels of EMS service at a reduced cost, these volunteers will still be needed to respond to calls for service when paid EMS personnel are working on other calls and to provide “stand-by” coverage at public gatherings and sports events. Without the continued assistance of the volunteer EMS company, the township would have to hire additional paid personnel to cover such circumstances and would probably make it economically unfeasible to implement.

The communications center is the public safety answering point (PSAP) for all 911 calls in Ewing Township and as such, receives all of the initial emergency calls from township residents. After a police dispatcher conducts a preliminary interview of the caller to establish the nature of the emergency, he/she will direct the call accordingly. If the call is of a police nature, the dispatcher will handle the call themselves. If the call is of a fire or EMS nature, the dispatcher will transfer the call, via one button transfer to either the joint EMS communications provider or to the Mercer County centralized fire dispatching center. While conducting the fire and EMS reviews, the review team heard many complaints of lengthy delays in the transferring of the fire or EMS calls. It is believed by personnel from both the fire and EMS functions that the callers are being interviewed more than necessary before the call is transferred for dispatching, thus wasting precious moments to respond to the emergency.

Recommendation:

The communications center should make the voice tapes of questionable calls available to fire and EMS personnel for their review. Whenever tapes are reviewed, a combined meeting should be held to discuss how the calls were handled and to discuss ways to correct any found mistakes or delays.

OFFICE OF EMERGENCY MANAGEMENT

The office of emergency management (OEM) was established in accordance with N.J.S.A. App. A:9-41. Under the auspices of OEM, there is the Ewing Township Emergency Management Council. The council consists of 15 members appointed by the mayor and its function is to assist the township in establishing local volunteer agencies to meet the requirements of all local civilian defense and disaster control activities.

Operations

As one might expect, OEM personnel respond to emergent or threatening situations that occur within the township on a requested basis. During 1999 and through most of 2000, OEM responded to six major incidents within the township's borders. The six major incidents were as follows: 1. An aircraft accident/emergency at Mercer County Airport; 2. A "tabletop" exercise at the Mercer County airport; 3. Y2K related concerns; 4. Hurricane Floyd; 5. A natural gas leak; and 6. A Hazardous material spill.

Staffing

An emergency management coordinator and three deputy coordinators are the main personnel responsible for the OEM function. None of these personnel receive any payments or salaries for this function, although they all receive payroll checks from the township for other duties. The coordinator is the chief of police, two of the deputies are police officers, and the final deputy holds a part-time position dealing with some of the township's special events.

The coordinator is responsible for planning, activating, coordinating and conducting the emergency management operations within the township. The coordinator also acts as liaison to emergency management operations in surrounding municipalities and at the county, state and federal levels. A final responsibility of the coordinator is to maintain the township's Emergency Operations Plan (EOP), which outlines the planning criteria, objectives, requirements, responsibilities and concepts of operation necessary for successful responses to an actual or threatening emergency situation.

Financial

During FY 2000, the operating expenses for the OEM function were \$3,900. As stated in an earlier paragraph, there are no salaries or wages attributed to this function.

Vehicles and Equipment

There are four vehicles available to the OEM personnel. The vehicles include one 1990 passenger van and three "recycled" police vehicles from 1992 and 1993. In addition to vehicles, the OEM's fixed asset list includes two emergency generators, 25 portable radios, five flashlights, 10 Community Emergency Response Team (CERT) uniforms and one utility trailer.

Community Emergency Response Team (CERT)

At time of review, the OEM was developing a unique partnership with township residents through its newly formed community emergency response team (CERT). OEM personnel have recognized that following a major disaster, first responders (i.e., police, fire, and EMS personnel) may not be able to meet the demand for services. Factors such as the number of victims, communication failures and road blockages will prevent people from being able to receive emergency services in a manner to which they are accustomed.

As a result of this thinking, OEM has created a goal to develop and train a team of citizens as CERT members to deliver professional and expedient emergency support services to the community in conjunction with the police, fire, and EMS functions. These CERT members will

also be utilized to educate the residential and business community in disaster and emergency preparedness. At time of the review, there were 25 active CERT members within the OEM function.

The OEM function should be commended for its forward-thinking approach to disaster and emergency situations. The development of the CERT program will ensure that training is available to residents for emergency preparations and will better provide support services during emergent and/or disaster situations.

PUBLIC WORKS

The public works operation exists as a division under the department of administration, finance and public works, which is under the direction of the business administrator. This function was moved under the business administrator approximately six years ago when the previous public works director left the employ of the township and the township decided not to refill the position. Within the division of public works, there are three functional areas listed on the organizational chart: roads, recreation maintenance, and sanitation.

Staffing and Financial

The following chart represents the staffing levels and salary and benefit costs for various functions of the division at time of review (NOTE: Records given to the review team delineated the costs of five functional areas within public works. As such, we provided the staffing levels and costs of the five areas as opposed to just the three main functional areas within the division).

	Personnel	FY 2000 Payroll and Benefit Costs
Buildings and Grounds	1 Supervisor 5 Full-time Employees Various Summer Helpers	\$356,614
Vehicle Maintenance	1 Supervisor 4 Full-time Employees	\$304,037
Park Maintenance	1 Superintendent 2 Supervisors 13 Full-time Employees Various Summer Helpers	\$926,446
Streets and Roads	1 Superintendent 3 Supervisors 16 Full-time Employees 1 Clerical Support Various Summer Helpers	\$1,155,321
Solid Waste/Sanitation	Superintendent (Vacant) 2 Supervisors 15 Full-Time Employees Various Summer Helpers	\$990,076
Total		\$3,732,494

Organizational Structure & Management

As stated earlier, the township's business administrator assumed the responsibility of overseeing and managing the public works operation approximately six years ago. He assumed these duties

in addition to the various other duties involved with being the business administrator, who is responsible for overseeing all of the municipal operations. Discussions with the business administrator led the review team to believe that while he depended on the various superintendents to carry out the day to day operations, he was very well informed as to what happened on a daily basis and was very involved with the division's planning and management activities.

In addition to the business administrator, each of the three functional areas had a superintendent authorized to oversee its operations. At time of review, two of the superintendent positions were filled, while the superintendent of sanitation position was currently vacant. In addition to the superintendent positions, there are also various supervisors and assistant supervisors who work alongside the other employees and provide line supervision.

Observations and information from various interviews led the review team to believe that a change in structure might benefit the townships public works operation and reduce the amount of money spent on division management. One of the main problems seen by the review team was that the present structure basically resulted in three separate "departments" with their own employees and resources. The review team did not observe much sharing of employees or resources between functional areas and when it was done, it was often done reluctantly.

As such, we propose that when the position of business administrator, who is also the department director, becomes vacant, the township should make the public works function its own department and hire a full-time public works director to manage and oversee the department (consideration should be given to require that this public works manager have an engineering background). In addition, we would recommend that there would be only one "operational" superintendent, instead of the three authorized positions currently in existence, who would be responsible for the day-to-day operation of all of the departmental functions. This would allow the superintendent to easily utilize manpower and resources where he/she deemed most appropriate. If the township feels that current employees were capable of filling the positions, the review team would support that position, as opposed to hiring new personnel who would be unfamiliar with the township and the public works operation.

Recommendations:

When the business administrator leaves the employ of the township, we recommend the township consider creating a separate department of public works with a management staff of one full-time department director and only one operational superintendent. If one of the present superintendents were promoted to department director, the township would then need to eliminate one of the three superintendent positions to achieve the management structure recommended by the review team.

Cost Savings: \$76,675 (per year in salary and benefit costs)

Workers' Compensation Claims/Safety

The township created a safety committee a few years back to respond to a perception that claims were becoming excessive. The committee consists of various township representatives and

meets monthly to review all claims and accidents and update any deficient policies. The review of township documents showed that the number of claims have come down since the creation of the safety committee.

In addition to the safety committee, the township is very active in providing safety equipment and training sessions to its public works employees.

The township should be commended for its focus on safety and reducing the amount of time and money lost due to workplace injuries.

Buildings and Grounds

As shown in an earlier chart, the buildings and grounds function consists of one supervisor and four other full-time employees. In addition to these employees, the township supplements staffing during the summer month with summer employees. The hours for the building and grounds personnel are from 6:00 a.m. to 2:30 p.m. This early arrival allows the employees to open the main building and complete any small work orders before people arrive at work. In addition to the salary and maintenance costs shown in the prior chart, during FY 2000 there was \$41,783 in other expenses for repair and maintenance costs and \$2,845 in other expenses for maintenance agreements. In addition, the township contracted with a private entity to provide custodial services at a total cost of \$28,740 (approximately \$0.48 per square foot). The contracted costs for custodial services are well-within typical LGBR benchmarks for this service.

The building and grounds crew is responsible for the care and maintenance of following buildings:

- recreation building;
- municipal building;
- senior center; and
- roads building on Fourth Street.

Responsibilities of the crew include general maintenance and repair at each structure; general construction; curb and sidewalk reconstruction; HVAC monitoring, using a real time computer link, and basic maintenance thereof (filters, etc.); directing activities of the contract janitorial service; and plowing the parking lots. Additionally, a part-time vehicle maintenance officer from the police department, in addition to buildings and grounds summer helpers, handles the grounds maintenance at the various municipal buildings listed above. Other tasks include making abandoned structures safe (boarding windows, etc.); and performing handiwork at cost for needy seniors or indigents.

The general appearance and condition of the municipal, recreation and seniors buildings are good given current levels of cleaning and maintenance versus their respective age and wear and tear.

Buildings and Grounds – Scheduling & Work Orders

The scheduling of employees is the responsibility of the supervisor. As such, he meets with the business administrator each morning and provides instructions to the employees regarding the day's activities and reviews the status of ongoing projects. A simple manual work order system is utilized to determine what work needs to be done and to record daily activities.

The information recorded by the supervisor is very general and does not provide quantitative data to determine what work is specifically being performed and at what cost. The current system is lacking the details surrounding the project (hours expended by each worker and equipment/material utilized) and as such makes it impossible for the review team to analyze the overall cost effectiveness of the operation.

As a management tool, a computerized work order system would provide pertinent information to document the actual cost for material and labor (including benefits and overhead) to perform both scheduled and emergency work. This would then provide a basis for cost comparisons of various in-house services performed to that of outside contractors. It would also allow the township to capture the square foot cost to maintain its buildings for comparison to available benchmarks.

A properly managed system could also link work orders to an inventory control/reorder process; affix material and manpower cost to individual work orders; set priorities, plan and schedule work; provide regular reports on resource allocation, and provide a management tool to support staffing needs, and resource allocation. The team believes that the buildings and grounds operation would benefit from the implementation of a PC based, work order system. Improved planning and scheduling of work should also allow the township to reduce its supply and material costs by at least five percent by providing more predictable and reliable quantities and schedules when seeking competitive prices.

Recommendation:

The team recommends that the township purchase and utilize a computerized work order system to track costs and quantify work performed in buildings and grounds. The improved efficiency of the buildings and grounds function should help reduce supply and contract costs by 5%.

One-time Value Added Expense: \$4,500
Cost Savings: \$2,090

Buildings and Grounds – Construction Efforts

One of the main benefits of creating this building and grounds function was that it enabled the township to utilize its own skilled employees to construct various structures. In addition to constructing their own facility, the buildings and grounds staff have built the following structures for the township, including all the necessary site work:

- a 10,000 sq. ft. recreation building on Scotch Road;
- a 5,000 sq. ft. batting cage at Moody Park;

- three concession stands w/bathrooms at Moody Park;
- one concession stand at Armstrong Park; and
- a brick power building at Banchoff Park.

For each project, the general supervisor has drawn the plans and done the necessary estimating. Any work that cannot be conducted by the township personnel (i.e., plumbing and electrical) is completed by board of education personnel in exchange for assistance with various board of education projects.

Although the review team cannot fully substantiate the following, due to lack of records, the township estimated to the review team that the buildings and grounds crew have saved over \$1 million by not having to solicit a private contractor to do some of the township's construction work.

The township should be commended for utilizing the skilled employees of the buildings and grounds crew to save tax dollars by doing construction work "in-house."

Additionally, the township and school district should be commended for this sharing of personnel resources.

Buildings and Grounds – "Handyman" Program

The township has a "handyman" program designed to assist senior citizens and indigent residents with minor work that would normally not get completed. The people who participate in the program are responsible for the cost of materials while the township supplies the labor. Work typically gets completed as the general supervisor becomes aware of individual needs as a result of his employees being assigned to the senior center. There is no significant advertisement of this service.

Recommendation:

If the township decides that this is an essential service and wants to continue the program, we recommend the township ensure that all eligible residents are aware of the program.

Buildings and Grounds – Utility Expenses & Streetlights

The township expended approximately \$168,000 for lights, heat and power for buildings, parks and facilities and \$295,000 for street lighting during FY 2000. All traffic lights are maintained and administered by Mercer County.

Streetlights

The business administrator is the principal contact and coordinator with the utility (PSE&G). Billing is based upon actual consumption for each streetlight and as such, the business administrator maintains an inventory of streetlights, which has been verified to include only lights on township streets and roads. Requests for upgrades and/or complaints regarding streetlights are forwarded to the business administrator and verified by the police traffic division prior to forwarding to PSE&G for action.

Utility Expenses

As indicated above, the township spends approximately \$168,000 per year for light, heat and power for buildings and park facilities (including sports lighting). Utility bills are currently processed through the finance office without a “standard” review of the monthly consumption or cost. While it was reported that “anomalies” (bills significantly higher than the previous month or the same month in the previous year) are sometimes discovered and investigated, the invoices are usually paid as submitted.

Since it is possible for utility companies to make mistakes in meter readings, locations or clerical errors, the review team recommends that the township competitively seek a contract for utility rate and billing error review services. Qualified contractors will, on a shared savings basis, retroactively review utility bills and assist the municipality in obtaining refunds arising from discovered billing errors by the utility supplier. The contractor can then recommend changes to existing rate structures applied to identified facilities and will assist the municipality in negotiating the implementation of any changes to the rate structure with the utility supplier. The intent of such rate schedule changes is cost avoidance.

In the interim, the review team recommends the initiation of an internal control procedure whereby monthly utility bills are captured on a spreadsheet (by building on a cost per square basis) and reviewed by the business administrator or his designee. Any savings (or adjustments) identified by the township prior to entering a shared savings contract would be theirs.

In addition, the township has not yet taken advantage of savings opportunities by competitively bidding to select a natural gas and electric provider. The Mercer County Improvement Authority is in the process of establishing a purchasing cooperative for natural gas and electricity that will be open to municipalities. The aggregation and competitive bidding of utilities been successful in reducing utility budgets in other municipalities and the team recommends that the township take advantage of this opportunity when available.

With a utility review contract and the competitive procurement of electric and natural gas, the review team estimates that at least 20% net savings could be realized, or \$33,600 per year.

Recommendation:

It is recommended the township: 1. Consider entering into a utility rate and billing error review contract and 2. Seek competitive pricing for natural gas and electricity through participation in a regional cooperative purchasing agreement.

Cost Savings: \$33,600

Streets and Roads

As shown in a prior chart, the road maintenance function consists of one superintendent, three supervisors, and 16 full-time employees (not including the clerical support). In addition, various summer helpers assist the full-time employees during the summer months. These employees have a workday from 7:30 a.m. to 4:00 p.m. In addition to the salary and benefit costs shown previously, there were \$45,931 in other expenses associated with this function. The largest portion of the other expenses (\$19,946 was for the purchase of salt and sand for snowstorms.

This function is generally the “catch-all” within public works operations. Some of the duties associated with this function include street repair, catch-basin repair, street sweeping, leaf collection, snow removal, street signage, and sidewalk repairs. The superintendent establishes the work schedule on a day-to-day basis, based upon the amount of work currently engaged with and prioritizing outstanding requests.

Streets and Roads - Street Sweeping

There are approximately 110-115 miles of roadway within the township’s borders that need to be swept during the year. The superintendent would like for the town to be swept four times per year, but due to manpower shortages and other priorities, it is more realistic that the sweeping is only completed two times per year. There are two street sweepers available to the roads function to complete the street sweeping function.

Approximately seven years ago, the township privatized the street sweeping operation for a short period of time. There were so many complaints by residents that the township decided to reinstitute the in-house operation. Due to lacking records, the review team could not determine whether this function was being provided in a cost effective manner. In most other towns reviewed by LGBR, we have found that contracted services are generally less costly than in-house operations as the private vendors are able to fully utilize their personnel and equipment, thus making the cost less than most municipal operations.

Recommendation:

It is recommended the township begin recording essential information concerning this service (i.e., road miles swept, employee and benefit costs, maintenance costs and capital costs).

Once this occurs, the township should solicit proposals from private vendors to complete the township’s street sweeping duties, and compare the in-house costs to the costs provided by the vendor to see whether the privatizing of street sweeping should be considered again.

Parks and Recreation Maintenance

As stated in the prior chart, there is one superintendent, two supervisors, and thirteen other full-time employees who work in the parks and recreation maintenance function. In addition, summer helpers are utilized during the summer months to assist the full-time workers. The employees work from 7:30 a.m. to 4:00 p.m. In addition to the salary and benefit costs shown before, the other expenses for this function during FY 2000 were \$37,901.

Among other duties, this section of public works is responsible for the cutting grass at township parks, maintaining the township’s ball fields, maintaining playground equipment, removing brush, conducting shade tree services, maintaining the compost facility, picking up debris from around town and the parks, picking up recycling for certain businesses, and cutting grass at overgrown/vacant properties.

The review team noticed that the township was very proud of its recreation programs and facilities. As such, this means that there are a lot of areas for the building and maintenance

personnel to maintain and work on. This function is responsible for eight township parks (approximately 320 acres), 10 softball fields, eight baseball fields, 16 soccer fields, one training field, six basketball courts, and 16 tennis courts. They are also responsible for two hiking trails, one fishpond, several picnic areas, two batting facilities (one indoor and one outdoor), and numerous playground facilities.

Parks and Recreation Maintenance - Recycling

Although the County of Mercer provides free curbside recycling to residents, businesses must pay for it. Over the past few years, some of the smaller businesses have complained of the costs and pleaded with the township to help out. As a result, the recreation maintenance function has gradually established a regular recycling program for smaller businesses (being a smaller business means that you do not generate any more recyclable material than a typical household). This is a relatively new program and is rather informal in nature...there has been no organized advertising campaign.

Parks and recreation maintenance employees utilize a sanitation truck to pick up the materials at the eligible businesses and at municipal and school facilities. Commingled materials are collected once per week, while paper and cardboard are collected twice per week. Oftentimes, the recycling effort will impact the amount of work and cleaning that gets completed at many of the township's parks and playgrounds.

As similar to the buildings and grounds "handyman" program, the practice of providing recycling collection for some businesses and not for others could lead to serious future legal problems. As a result, we recommend the township consider stopping the program altogether or require reimbursement from the participating businesses to cover the associated costs.

Park Maintenance - Tree Services

During the last year, the park maintenance personnel utilized an \$11,000 grant to plant over 100 trees around the township, with the assistance of community service labor. In addition to pruning, planting, and removing trees within the township's right-of-ways and municipal facilities, the park maintenance employees are also utilized to provide pruning services to Hopewell Township (in exchange for the Ewing public works function being able to utilize Hopewell's paving machine). No records of tree service provided to Hopewell were available to the review team to compare to the amount of time that the township utilized the paving machine. Although no records were available, discussions with various public works officials led the review team to believe that this was a beneficial arrangement for both communities.

The township should be commended for utilizing community service workers in its public works operations. This is a low-cost option to providing services to residents.

The township should be commended for entering into the reciprocal arrangement with one of its neighboring communities.

Recommendation:

It is recommended that accurate records be kept of the tree services provided to Hopewell Township and the amount of time that Ewing utilizes Hopewell's paving machine. This should be done on an annual basis so that the township can ensure that it is receiving equal value in return for the services being provided and so that it can petition the State of New Jersey for available REAP monies.

Sanitation

As stated in a prior chart, there are two supervisors and 15 full-time employees who provide the township's garbage collection services. In addition to the full-time employees, there are summer helpers hired to assist during the summer months when there are a lot of personnel on vacation. In addition to the salary and benefit costs provided earlier, the other expenses for this function were \$19,965 during FY 2000.

Sanitation – Collection Procedures

The sanitation employees are responsible for providing each section of the township (residents and businesses) with twice per week garbage collection and once per week bulk pick-up. In addition, the personnel will collect bagged grass clippings during the grass cutting season and bagged leaves during the non-leaf season. Both of these collections are provided once per week and as a result, much of the bulk collection is pushed to the regular collection days at the end of the workweek. At present time, all sanitation routes are fixed, since there was a time when there were problems with employees leaving heavy items for the next crew to take away, which resulted in complaints from both residents and employees. With a few exceptions that utilize dumpsters, every entity is required to place their garbage in cans or bags and place them at the curbside for collection. All collected materials (with the exception of metal goods, which are recycled and grass and leaves which are composted) are taken to the county transfer station, which is located within Ewing's borders. Having the transfer station within the township's borders significantly reduces the amount of time that the employees need to transfer the solid waste for disposal. Additionally, the township received \$175,000 for the rental of the transfer station facility and \$1,405,132 in host community benefits for the FY 2000, exceeding the tipping fees charged by the county to the township.

Sanitation – Tonnage Information

During the past two fiscal years, the township collected an average of 13,218 of municipal trash. The employees will basically pick up anything that is put out to the curbside, including construction materials. There is no limitation as to how much trash will be picked up, either, although there are limitations as to how much weight each container can be. In looking over the trash records, it was noted that during the winter months there was an average of approximately 850 tons of trash per month and during the summer months that average increased to 1,350 tons of trash per month. Additionally, it was noted that the end of week collection was generally less than the collections during the beginning of the week.

Discussions with various local officials highlighted that it was a conscious decision on the part of the township to not limit the amount of trash that could be placed curbside and that the residents are more than willing to pay for not having a garbage limitation.

Sanitation – Work Day

The general supervisor or the functions other supervisor is responsible for being at the public works facility each morning to record the arrival times of employees. Apparently, there used to be a time clock for employees to punch in and out, but it was discontinued after being repeatedly broken.

The sanitation employees are required to begin work at 8:00 a.m., but unlike other municipal employees they do not have a set ending time. As can be found in some other municipalities, sanitation employees are permitted to go home when their assigned routes are completed and as such, generally forgo all breaks and lunch in order to get done earlier. The general supervisor estimated to the review team that each employee averages being at work for 5 ½ hours per day, although the review team drove by the public works facility numerous times throughout the review process and oftentimes found the majority of vehicles back at the facility before 1:00 p.m. (less than five hours) and on occasion found vehicles back before 12:00 p.m. Although the review team feels that the amount of time spent on the job by sanitation employees is low, it was observed by the review team that the employees were putting forth significant work efforts while on duty.

Recommendation:

It is recommended the township reinstitute the practice of requiring employees to punch a time clock when they arrive and leave for work. This would allow the township to truly determine the amount of time that sanitation workers put in on a daily basis.

Sanitation – Cost Effectiveness

While the review team acknowledges the outstanding service provided by the sanitation function, it also notes that it comes at a much higher price than market levels. Based upon the salary and benefit costs of this function (reducing it by 10% as a result of collecting grass and leaves), the resulting cost per ton for collection of garbage is approximately \$67.41. If a very conservative figure of \$10,000 per truck was added to six front-line and three reserve vehicles for capital/debt service costs, repairs and maintenance, and gasoline costs, the cost per ton for collection of garbage increases to approximately \$74.22.

In doing comparisons to surrounding municipalities, the review team obtained contracts for garbage removal, including bulk pick-up, from surrounding areas. One contract, located in Burlington County, resulted in a three-year contract for twice per week collection (including bulk pick-up) at a cost per ton of \$49.42 per ton. Typically, LGBR utilizes a benchmark figure of approximately \$55 per ton for twice per week collection. If the township were able to conservatively contract for \$55 per ton for twice per week collection services, the resulting cost would be approximately \$726,990, which would result in a savings to the township of approximately \$254,058 annually.

It is commonplace for LGBR teams to come across municipalities that have gone away from twice per week garbage collection in favor of once per week collections. The main reason why municipalities do this is to save substantial amounts of money. For a point of reference, the Burlington County contract (referenced above) resulted in a three-year contract for once per

week collection of \$34.77 per ton. LGBR typically utilizes a benchmark figure of approximately \$40 per ton for once per week collection. If the township decided that it would go to once per week collection, the resulting cost (through a contract) would be approximately \$528,720 (based upon a \$40 per ton cost), which would result in a savings to the township of approximately \$452,328 annually. The review team did not count the potential savings of once per week collection in this report, because it was heard over and over again how the residents came to expect and desire twice per week collections. The information was provided solely so that residents can fully understand the impact of expecting and desiring such a high level of service.

In the opinion of the review team, one of the main reasons why the township's in-house cost per ton is high has to do with having a route structure that does not result in close to a full days work for the sanitation employees. If the township does not want to contract for garbage collection services, we would recommend the township restructure its routes so that employees are utilized for more hours of the day. We feel that newly created routes could easily result in the elimination of one truck, which would also include the eliminating of two positions. The resulting savings to the township (utilizing the two lowest paid sanitation employees) would be approximately \$108,400.

Recommendation:

It is recommended the township consider either restructuring routes to ensure that employees work close to a full day or contract out for collection services.

Cost Savings: \$108,400 - \$254,058

Vehicle Maintenance

As stated in an earlier chart, there is one supervisor and four mechanics that work in this function. In addition to the salary and benefit costs stated above, the other expenses for FY 2000 were \$98,468.

These personnel are responsible for the repair and maintenance of all municipal vehicles and equipment. According to township documents, there are 150 vehicles and pieces of equipment owned by the township. As such, the cost per vehicle for repairs and maintenance is approximately \$2,657 (which is within LGBR benchmarks). The mechanics were found to be highly qualified and as a result there were very few instances where repair work was needed to be sent out to a private facility. In addition to the personnel within vehicle maintenance, the police department has a part-time vehicle maintenance officer who schedules the police vehicles for maintenance and repairs and will provide light maintenance to the vehicles.

Vehicle Maintenance – Record Keeping

All records of vehicle work are completed by hand. It was noted by the review team that there were times when records were not filled out completely, so that the next mechanic does not always know exactly what was done. In addition, although they try to keep to a preventative maintenance schedule, it is not uncommon for vehicles to miss or be delayed for preventative maintenance.

As a result, we would recommend the township purchase a fleet maintenance program for the vehicle maintenance section. A fleet maintenance program would provide for better record keeping, could signal when vehicles are due for preventative maintenance, could be used to track inventory, and would be very useful to determine whether it was cost effective to continue repairing older vehicles versus purchasing newer ones.

Recommendation:

We recommend the township purchase a fleet maintenance program.

One-time Value Added Expense: \$5,000

ECONOMIC DEVELOPMENT

The department of economic development was created by ordinance in April, 2000. The existing offices of construction code enforcement, building inspection, fire prevention, and zoning were move from the department of community affairs into this department. A new planning division was also created under this division. The review team applauds the township for creating this department to focus on the development and redevelopment issues facing the township at this present time. This action clearly points to an attempt by the township to change their practices and procedures pertinent to development and redevelopment issues. The department is guided by a mission statement that is prominently posted on the township's official website.

Staffing

The director of economic development is responsible for the supervision and oversight of this department. Additionally, his goal is to see the township redeveloped and reenergized. As such, he is constantly communicating with the business community to assess their needs and trying to attract new business to the township. The director's salary and benefit cost is approximately \$70,023.

The duties of the director are clearly outlined by ordinance. They include formulating economic development policies and programs, assessing the need for economic development, developing short and long range development plans, and establishing and maintaining working relationships with community groups, government entities and business organizations. In order to achieve some of the above duties, the director is in constant communication with the redevelopment agency. Finally, the director is responsible for providing technical assistance to the planning and zoning boards and investigating, applying for, and administering grant funds.

Financial

The following chart represents the economic development department's budget for FY 2001. Since it is a new department, there were no actual expenditures categorized in previous years. The costs associated with the various divisions that fall under this department will be discussed in detail in those specific areas of this report.

Line Item	Budget
Publicity	\$6,000
Seminars and travel	\$500
Subscriptions	\$80
Zoning board of adjustment	\$2,000
Planning board	\$2,000
Economic development commission	\$1,500
Master Plan	\$5,000
Total	\$17,080

Redevelopment Agency

The director works very closely with the township's redevelopment agency. The agency is comprised of a seven member volunteer board and one paid executive director. The main focus of the agency is the creation and implementation of the township's redevelopment plan, focusing mainly on the Olden Avenue section of the township. The redevelopment plan is discussed with the master plan in the planning section of this report.

CONSTRUCTION CODE ENFORCEMENT DIVISION

As a result of the township's reorganization in the beginning of 2000, the construction code enforcement division was moved from the department of community affairs to the newly created department of economic development. The functions in the construction code enforcement division include building inspection, fire prevention, and zoning code enforcement. In addition to those functional areas, the planning board and zoning board of adjustment are managed through this office.

Staffing

At time of review, there were seven full-time employees and two contracted inspectors working in this division. The construction official, building subcode official, two fire prevention/housing inspectors and three clerk typists are full-time employees. The electrical and plumbing subcode inspectors are contracted employees. The construction official has multiple titles including zoning officer, fire subcode official, and administrative officer to the planning board and as such, supervises all of the day to day operations. Both the construction official and clerical staff perform work in all functional areas within the division.

The ordinance establishing the new department also created a deputy zoning officer position that was not filled at time of review.

Building Inspection

This functional area is responsible for the enforcement of the New Jersey Uniform Construction Code (UCC). The primary duty of the staff is to accept and process applications for building permits and perform inspections to ensure compliance with the UCC. Only the two fire prevention/housing inspectors do not perform UCC work. Among other duties, the clerical staff assists the inspectors in setting up inspection, issuing permits, and preparing certificates of occupancy.

Financial

This functional area is not part of the township's municipal budget. The fees collected by the office are deposited into a dedicated revenue rider trust fund that was approved by the New Jersey Division of Local Government Services on October 17, 1991. Salaries and operating expenses are paid out of the dedicated fund. An annual report is submitted to the New Jersey Department of Community Affairs Division of Codes and Standards office. The following table itemizes the dedicated trust fund reports for the fiscal years 1998 through 2000.

	FY 1998	FY 1999	FY 2000
Revenue	\$351,908	\$541,100	\$415,948
Expenditures	\$388,923	\$393,543	\$333,550
Balance in Trust	\$302,518	\$450,074	\$528,731

The following chart represents a revenue breakdown of the office's revenue for the calendar year of 1999. This information was taken from information submitted to the state as part of their annual report.

Revenue Source	Amount
Building permits	\$343,402
Certificates of Occupancy	\$30,610
Plumbing permits	\$30,186
Electrical permits	\$33,094
Elevator permits/inspections	\$13,058
Fines	\$7,800
State DCA fees	\$18,234
Total	\$476,384

As you can see in the initial chart, the office's dedicated by rider fund had a balance at the end of FY 2000 of \$528,731. That fund balance is well in excess of the actual expenditures for the year of \$333,550. This type of balance indicates that the township might consider reassessing the fees charged. Typically, the state's department of community affairs (DCA) says that fees should be addressed when revenues exceed expenses by 25% or more in successive years over a three to five year period. At time of review, Ewing's excess in revenue had only been a two-year occurrence. If revenues continue to exceed expenses at current levels, it is recommended the township reassess the rates being applied to homeowners and developers.

Recommendation:

It is recommended that the township reassess the fees being charged in this area if revenues continue to outpace expenditures at current levels.

Workload

The following charts represent the efforts of the building office over the past three years. This information is provided on a calendar year basis, as it was taken from information supplied to the state through its annual report.

Construction Permits Issued			
Type of work	1997	1998	1999
New construction	38	40	49
Additions	28	25	40
Alterations	1,207	1,302	1,374
Demolitions	59	74	82
Total	1,332	1,441	1,545

Certificates Issued			
Type of Certificate	1997	1998	1999
Certificate of occupancy	81	44	81
Certificate of approval	278	317	373
Continuing certificate of occupancy	2	4	3
Temporary certificate of occupancy	26	14	21
Temporary certificate of compliance	0	0	3
Certificate of compliance	1	0	0
Total	388	379	481

Total Value of Construction			
	1997	1998	1999
Permits	\$31,406,942	\$18,409,233	\$21,419,337
Certificates	14,813,894	12,503,238	24,411,852
Total	\$46,220,836	\$30,912,471	\$45,831,189

Building Subcode

There was one building subcode official at time of the review. His duties included conducting plan reviews, responding to complaints, assisting the public, and conducting inspections. On average, the inspector conducts five to eight inspections per day and reviews in excess of ten plans per day. During 1999, the inspector conducted 2,158 inspections. In order to keep from obtaining a backlog, the inspector typically averages five to seven hours of overtime per week.

Fire Subcode

As stated earlier, the construction official is also the township's fire subcode official. His duties include both plan reviews and inspections. In 1999, there were 549 fire inspections conducted.

Electrical & Plumbing Subcodes

Both the electrical and plumbing subcode officials are contracted inspectors referred to as third party agents. Both are retained on a three-year contract. Their duties involve both plan reviews and inspections. During 1999, there were 1,088 electrical inspections and 972 plumbing inspections.

Workload Analysis

LGBR requested that DCA's Bureau of Regulatory Affairs to perform a staffing analysis based on the number of permits issued by the municipality in FY 1999. A staffing analysis compares

the number of full-time employees (FTE) to the number of projected inspections. DCA projected a two-year need anticipating expansion of development at the airport and within the Olden Avenue Redevelopment District. The following tables show the results of the analysis.

Workload Requirements				
	Projected Inspections	Annual Workload	Plan Review Factor	Staffing Need (FTE)
Building Subcode	2,334	1,526	1.3	2.0
Electrical Subcode	1,521	1,526	1.2	1.2
Fire Subcode	507	1,526	1.5	0.5
Plumbing Subcode	1,150	1,526	1.2	0.9
Technical Need				4.6
Construction Official				0.9
Office Control				2.8

As a result of the above analysis, we feel that the township should reconsider the staffing level in this functional area. It is quite clear to the review team that the office could use one additional building subcode inspector. Additionally, the township might want to consider hiring a part-time fire subcode official to assist the construction official with those duties and inspections. According to the chart, the construction official is presently doing building inspection duties equal to 1.4 FTE's. This does not even take into account the additional supervisory duties that he has.

Recommendations:

It is recommended that the township consider hiring one additional building subcode inspector. We estimate the salary and benefit cost of this position to be approximately \$50,000, although that money will be directly paid from fees collected by the office and not from the township's current fund budget.

In addition, it is recommended that the township consider hiring a part-time fire subcode inspector to assist the construction official with the fire subcode duties and inspections. We estimate the salary costs of a part-time inspector to be approximately \$12,500, although that money will be directly paid from the fees collected by the office and not from the township's current fund budget.

Re-Inspections

Discussions with the inspectors solicited a recommendation that the township charge a fee for re-inspections. While accurate numbers were not kept, it was estimated that 20% to 30% of inspections were re-inspection of structures that received a failing grade during the initial inspection. During 1999, there were 4,767 inspections completed in the four subcode areas above. If we conservatively estimate that 15% of those inspections were re-inspections and applied a nominal fee of \$15 to cover some of the costs of the re-inspection (i.e., salary, benefits, travel), the township would have received additional revenue of approximately \$10,725.

Recommendation:

It is recommended that the township consider instituting a fee for re-inspections.

Revenue Enhancement: \$10,725

Permit Tracking

The staff should be complimented for designing a centralized system of processing permit applications that is efficient and very productive. They installed what they refer to as a “grease board” on a wall common to all the workstations. The board’s surface is divided into several columns: the street name and each inspector’s area of specialty. When an application is submitted and the fees are processed, the application is listed on the grease board. The name of the street is written in black ink and an “X” is marked in the columns of those inspectors who need to review the plan. The application folder is then placed, alphabetically, in an active file. Each inspector is responsible to review those applications pertinent to their expertise, erase the “X” and place a green “P” for passing or red “F” for failing in their column. When a revised application or plan is submitted it is recorded on the board with the street name in red ink to indicate that only the inspector who failed the original plan need look at the revision. Once the review of the application has been completed the notation is taken off the board and the application is given to the construction official to calculation the fees.

The office should be commended for this approach that effectively processes applications through the permit process.

Contractor Licensing

The township requires that all contractors performing work within the municipality be licensed within the municipality. This allows the township to receive information on the contractor in case any problems surface as a result of the subcode inspections or resident complaints. The clerical staff is responsible for processing the contractor licenses. During FY 2000, the township received \$15,190 in contractor licenses.

The township is commended for this program that requires contractor’s to obtain a license before doing work within the municipality.

PLANNING BOARD AND ZONING BOARD OF ADJUSTMENT

The township has both a planning board and zoning board of adjustment to deal with issues regarding township development and growth. Both function’s daily activities are under the supervision of the township’s construction official, as he is both the administrator to the planning board and the zoning officer. The clerical staff in the construction code enforcement office assists with the administrative activities associated with the two functions. Both the planning and zoning functions fall under the newly created department of community and economic development. The following chart represents both board’s activity and revenue during the calendar years 1997, 1998, and 1999. All of the information is not complete, as there were nine months of minutes either not complete or missing.

	1997	1998	1999
Planning Board Applications	9	25	22
Planning Board Application Fees	N/A	N/A	\$11,075
Zoning Board Applications	58	51	59
Zoning Board Application Fees	N/A	N/A	\$11,205

Filing fees for applications to the planning board and zoning board of adjustment were last revised in 1996, although they are reviewed on a regular basis. In addition to filing fees, the township enacted an escrow fee ordinance about two years ago. Under the prior escrow fee ordinance, the fees that were deposited were insufficient to provide for the review by the township's professionals. This situation was remedied upon advice from the engineer and planner in 2000.

Recommendation:

It is recommended the township put proper procedures in place to ensure that all planning and zoning board minutes and records are completed and properly filed.

Planning Board

According to state statute, the planning board should have nine members plus two alternates, whose members are appointed by the mayor and identified as Classes I through IV. Ewing's board, however, was made up of eight members and two alternates. The board comprised of two elected officials, the construction official and seven members of the public at large. The board meets on the first Thursday of every month.

Staffing

In addition to the services provided by the administrator to the planning board (construction official) and the clerical staff of the construction code enforcement office, the township employs a full-time assistant planner. Additionally, the township retains the services of a consulting planner, planning board attorney, and engineer to assist with the planning function. The consulting planner and engineer are contracted consultants of the planning board, but they are available to the zoning board of adjustment if the need arises.

Before the new department was created, the assistant planner worked under the supervision of the township administrator. Presently, the department director supervises the position, although the consulting planner is in communication with the assistant on a regular basis. The assistant planner has very little interaction with the planning board administrator at this point. The assistant planner attends all planning board meetings and attends site review meetings at the request of his supervisor. The salary and benefit cost of the assistant planner position is approximately \$38,366 per year. The salary of this position is paid out of an economic development grant.

As stated above, the planning function also receives services from a consulting planner, attorney, and engineer. The consulting planner reviews all planning board applications and attends all planning board and site review meetings at an hourly rate of \$110. The planning board attorney also attends all meetings and reviews proposed ordinances as requested by the township. The

planning board attorney receives a flat fee of \$9,500 for attending meetings and \$115/hour for preparing any resolutions. Finally, the engineer also attends all meetings and receives an hourly rate of \$110. The interaction between the attorney, planner, engineer and the board is both professional and an invaluable component of the planning function. The professionals clarify various elements of applications and instruct the board as to the best course of action.

Policies and Procedures

Although the planning board does not have bylaws or administrative procedures, policies have been established at various times to govern their operation and section 15-92 *et al* of the land use regulations outlines the board's procedures. Neither of these policies or land use regulations have been officially provided to board members.

Recommendation:

It is recommended the planning board staff prepare a manual for board members that outlines the board's policies and procedures.

Recording of Minutes

The Municipal Land Use Law (MLUL) mandates what should be included in the minutes under section 40:55D-9c. Such inclusions are names of persons appearing, persons appearing by attorney, action taken by the board, findings by the board, and reasons for decision. Upon review of this function, the review team found that there are missing transcribed minutes of meetings and that the quality of the minutes and agendas reflect the work of untrained individuals. It is our opinion that the planning board minutes are not in compliance with the MLUL.

Recommendation:

It is recommended the planning board properly train the staff in recording the minutes according to the MLUL.

Site Review Committee

The township has created an efficient way of handling development applications requiring board approval that is advantageous for both the township and the developer. In 1991, the governing body established, by ordinance, a site review committee that is comprised of members of both the planning and zoning boards. The ordinance was later amended to include representation from the re-development agency. The site review committee meets twice a month and the township engineer and planner are required to attend. The purpose of this committee is to streamline the approval process and promote the community's "business friendly" attitude. Simply stated, a developer does not have to prepare fully engineered plans or submit an application until they are scheduled for a public hearing. Instead, the developer appears before the site review committee with a concept plan. This plan is then reviewed and discussed by the committee members. As a result, issues or concerns are addressed in the beginning of the process and the developer receives valuable input and advice. At the end of the meeting, the developer is instructed to make a formal application, meet with the township professionals and come forth with a full set of plans to a public hearing.

The township should be commended for this streamlined and “business friendly” approach to the planning and zoning process. It should be considered a best practice for other municipalities to follow.

Master Plan & Redevelopment Plan

A master plan is a document prepared and adopted by the planning board to guide development that forms the basis for land use regulations. A master plan traditionally contains information on historic development, trends of development and the municipality’s vision for future development. The review team was disappointed to find that the township’s master plan was last adopted back in 1969. The master plan was re-examined in 1995, however, but never adopted.

Through the encouragement of the consulting planner, the board adopted a master plan re-examination report in 1999. Additionally, the governing body adopted associated land use ordinances. The re-examination report states that growth proposed in the 1969 plan has occurred and that development has happened. There is a theory among planners that towns experience a lifecycle of growth, equilibrium, and then decline. Looking at the development and census of Ewing, it would appear that the town is presently in its equilibrium stage and in need of redevelopment, so as not to slip into decline.

Township officials were also concerned with the future of municipality. As a result, both the planning board and governing body adopted the Olden Avenue Redevelopment Plan in 1999. Olden Avenue is the township’s main commercial area, but certain areas are becoming worn down, there are vacant properties, and there is no real continuity in either service or appearance. The basic premise of the plan is that the township should provide property tax incentives in the form of payments in lieu of taxes (PILOT’s) to encourage new development and redevelopment improvements. The plan is so thorough that objectives, land uses, building requirements and a description of each parcel is discussed in the plan. Although adopted, the township has not yet implemented this plan.

Recommendations:

It is recommended that the planning board work diligently towards revising and implementing a new master plan for the township.

It is recommended that the township and economic development department work towards implementing the redevelopment plan as the redevelopment and revitalization of the commercial district is seen as a vital component to the economic future of the township. It may be beneficial to the township if the economic development department would provide the governing body members with a detailed analysis of the Olden Avenue Redevelopment Plan and the impact it would have on the community. The township should be careful as to the amount of tax incentives that it is willing to provide, as the existing number of tax exempt properties and properties with PILOT’s already put a stress on the municipal budget and tax rate.

It is additionally recommended that both the planning and zoning boards adhere to the restrictions and specifications in the redevelopment plan when approving applications on properties located in the Olden Avenue district.

Affordable Housing

The Council on Affordable Housing (COAH) has released the second cycle of numbers of affordable houses each municipality is required to provide. The assistant planner was in the process of negotiating that number with COAH.

Relationship to State Plan

The state development and redevelopment plan of 1992 was established to plan for a future that anticipates one million new residents moving into the state by the year 2020. When the state plan was being drafted, the New Jersey Office of State Planning (OSP) created a mechanism called cross acceptance to allow municipalities to interact with the state regarding how the plan would be written. The conduit between the state and the municipality is the county. Ewing has submitted an application for center designation of the West Trenton area. A revised or new state plan will be adopted in 2001. Under the new state plan the municipalities will be encouraged to have their master plans endorsed. It is in the best interest of Ewing to work on a new master plan in accordance with the guidelines of the state plan so that Ewing can apply for and receive whatever funds become available through the state for redevelopment.

Zoning Board of Adjustment

As directed by state statute, the zoning board has seven regular members plus two alternates. The board is comprised of individuals appointed by the elected officials and operates in a quasi-judicial environment. The board meets on the third Thursday of every month. The zoning board has four powers under state statutes C.40:55D-70:

1. Hear and decide appeals where it is alleged an error was made by in administrative officer in enforcing zoning laws.
2. Hear and decide requests for interpretation of the zoning map or ordinances.
3. Grant variances from zoning standards.
4. Grant variances for use of property contrary to the zoning district.

Staffing

The construction official is designated as the township's zoning officer and as such, performs various zoning inspections and reviews zoning applications for completeness before they are presented to the board. In addition to the zoning officer, the zoning function has the services of the construction code clerical staff available to it as needed. A zoning board attorney is retained at an annual rate of \$5,000 for attending monthly meetings and receives \$125 per hour for rare instances of litigation and \$250 for preparing resolutions. The cost associated with preparing resolutions is charged back to the applicant's escrow account.

Zoning Permits

The township does not require zoning permits for development applications, however, plans are reviewed for zoning compliance and field inspections are performed. There is no record of how many plans were reviewed in 1999, but 175 inspections were completed. The township should

consider issuing zoning permits and collecting a fee for the associated costs of plan review. It is likely that nearly 95% of all of the municipal permit applications would include a review for zoning standards. Conservatively, if only three quarters of the 1,545 permits processed in 1999 had a requirement for a zoning permit and review, the township would have realized revenue of \$28,975 based on a \$25 fee that has been found by the review team in other municipalities.

Recommendation:

It is recommended that the township consider implementing a zoning permit and fee to cover some of the associated costs with reviewing and inspecting zoning applications.

Revenue Enhancement: \$28,975

Review of Planning and Zoning Board Applications -- Fees

Currently, the township is not charging for reviewing applications appearing before the planning and zoning boards. Under the MLUL, section 40:55D-53.2, a municipality may charge the cost of a professional's time to review such applications against a developer's escrow account. At time of review, Ewing's escrow fee ordinance does not state if in-house professionals, such as the zoning officer, can charge against the escrow account for their review of applications. In 1999 there were 22 planning board and 59 zoning board applications submitted. Customarily, all the plans submitted for development should be reviewed for compliance with the zoning standards and for completeness.

It is commendable that the township is "business friendly", but the taxpayers should not be paying for the review of developers' applications. The township should seek legal advice regarding amending their ordinance to allow the zoning officer to charge his/her review of applications to the developer's escrow account. Conservatively, the zoning officer would spend ½ hour reviewing planning board applications and ¼ hour reviewing zoning board applications for compliance to the zoning standards. Based upon the formula laid out in the MLUL and the 22 planning board and 59 zoning board applications submitted in 1999, the township could have realized revenue of approximately \$1,500 if the zoning officers time was charged to the developer's escrow account.

Recommendation:

It is recommended that the township consider amending their ordinance to allow municipal employees to charge their time reviewing planning and zoning applications to the developer's escrow account.

Revenue Enhancement: \$1,500

ENGINEERING

The township contracts with a private vendor to provide engineering services. At time of review, the township had three individual contracts with the engineering firm. Two of the contracts surrounded the major capital project regarding the flooding of the Shabakunk Creek and the

other contract was for being the township engineer. The following chart represents the funds received by the engineering firm in FY 2000:

Category	Amount Expended
Municipal Services	\$87,216
Capital Projects	\$340,936
Planning Board	\$18,534
Charged to Escrow	\$202,184
Charged to Grants	\$19,370
Total	\$668,240

Upon review of the engineering contracts, the review team found the services being provided and the fees assessed to be appropriate.

Besides working on capital projects, reviewing and responding to township correspondence, and attending meetings as required, the engineering firm is responsible for attending all planning board and site review meetings. As per the contract, the fee for attending these meetings is \$110 per hour. The planning board meeting fee is charged to the applicant's escrow account, while the compensation for the site review meetings is paid through the township budget, as there are no formal applications to assess a fee.

HEALTH DIVISION

The Ewing Board of Health is required by state law (N.J.A.C. Title 8:51) to meet the minimum standards of performance in providing health services and programs to township residents. It appeared to the review team that the health division staff was meeting the mandated minimum standards of performance. The minimum standards of performance include the following areas:

- **Administration** – includes administrative services, health promotions, public health nursing services, and elective emergency medical services;
- **Environmental Health** – includes oversight of recreational bathing facilities, camp grounds, youth camps and daycare, and food establishments, occupational health programs, public health nuisances, and elective institutional health programs;
- **Communicable Disease** - includes acute communicable disease awareness and control, immunizations, rabies and zoonosis control, tuberculosis control, and sexually transmitted disease awareness and control;
- **Maternal and Child Health** - includes programs for infants and preschool children, child lead poisoning, improved pregnancy outcome, elective ambulatory health care for children, elective children's dental health, elective family planning, elective obstetrics, and elective school health; and
- **Chronic Illness/Adult Health Services** - includes cancer services, diabetes services, cardiovascular disease services, health services for older adults, elective alcoholism control, elective ambulatory medical care, elective drug abuse control, elective nutrition programs, elective adult dental health, elective vision, hearing, and speech programs, and elective home health care.

Organization & Staffing

The health function is under the auspices of the local board of health, which happens to be the elected township council. The council meets one time per month prior to the council meeting to discuss health issues and go over the monthly activity report with the health officer, who directly supervises the division operations. Administratively, the health function is a division under the department of community services. There is no formal reporting required to the department director, so as such, the division acts with a great deal of autonomy in its daily operations. Within the division, there are four general sections: administration, environmental services, nursing services, and animal control. As head of the division, the health officer spends his time assisting in those areas where the most help is needed and/or where the most problems are. At time of the review, besides his supervisory duties, the health officer was spending the majority of his time with the animal control function and responding to various complaints from township citizens.

At the time of our review, the division's full-time staffing included the health officer, a senior sanitary inspector, a registered nurse, an animal control officer, and a senior clerk typist. In addition to the full-time staff, there was a part-time animal control officer and part-time practical nurse. Finally, there were eight summer employees utilized by the division. There was a full-time vacancy in both the clerical area and animal control area.

Financial

During FY 2000, the salary and benefit cost for the health function was approximately \$260,803 and the animal control function was approximately \$84,732. That results in a total salary and benefit cost for the health division of approximately \$345,535. Additionally, there was \$899 in overtime for the health function and \$7,486 in overtime for the animal control function.

In addition to costs surrounding employees, the health function had other expenses of \$8,225 and the animal control function had other expenses of \$70,000. Included in the other expenses for the health function were contracts with private vendors to assist with the health education services, supervising nursing services and temporary nursing services. Within the animal control other expenses, \$27,707 went towards repair and maintenance of the facility, \$19,760 went towards equipment purchases, and \$22,533 in miscellaneous other expenses.

Record Keeping

The review team found the health division to be in somewhat disarray at the time of our review. Record keeping in particular was very disorganized and sometimes non-existent. As a result, it was very difficult to for the review team to effectively assess the programs and services provided by the division and to determine division revenues.

The division is supposed to submit an annual report to the state that details activities during the last year. The review team requested this document for the calendar year of 2000, but it was not initially available. The review team obtained the document towards the end of the review process after the division compiled the information for us. In reviewing the report, the review team was not fully confident as to the accuracy of the data. As a result, some of the information provided in this section goes back to 1999.

It is the opinion of the review team that the division's record keeping must be addressed. We attribute the problem to the clerical support being understaffed, underutilization of the division's computers, and lack of direction as to what needs to be recorded. We feel that an additional part-time clerk would greatly enhance the efficiency of the health division.

Recommendations:

It is recommended that the division employees discuss what information is necessary to be recorded and determine the best processes to capture the information.

It is recommended that the township consider hiring a part-time employee to assist with the clerical functions of the division. At 20 hours per week and an hourly rate of \$10, the cost to the municipality would be approximately \$10,400.

Value Added Expense: \$10,400

It is recommended that the technology committee (suggested in the technology section of this report) make it a point of emphasis to assess the computer capabilities of the health division staff, understand what processes are needed, and provide adequate training to all staff.

Environmental Services

Among other things, this function of the health office is responsible for the inspection and regulation of retail food establishments, public bathing places, and day care centers, partial enforcement of the township's housing code, responding to complaints of environmental nuisances, monitoring the installation and operation of individual water supplies and sewage disposal systems, providing radon education programs, and investigating certain occupational health problems. The senior sanitary inspector is mainly responsible for this function, although the health officer assists by conducting some of the inspections. The full-time clerk is responsible for maintaining records resulting from the inspections.

At the time of our review the township had 213 food establishments, 14 public bathing places and three youth camps/day care centers that are supposed to be inspected on an annual basis, although the review team could not accurately determine how many were completed during the calendar year 2000. In addition to the initial inspection, many of the establishments require a re-inspection. In 1999, records show that all 14 of the public bathing places required a re-inspection and that there were 96 re-inspections of food establishments. When reviewing division records, the team found at least 29 food establishments that were overdue for an inspection. Most of those had not been inspected in more than two years. When asked how the division prioritized or scheduled inspections, it was found that there was no set strategy.

In looking over some of the daily work schedules of the sanitary inspector, it was found that the majority of his time was spent responding to various complaints as opposed to ensuring that all necessary inspections are completed. Many of those complaints surrounded the township's housing code (i.e., high grass and garbage).

Recommendations:

It is recommended the health officer and sanitary inspector schedule and prioritize the workload to ensure that all of the required inspections are completed during any given year.

Additionally, it is recommended that discussions take place with the department of community and economic development to see if any of the inspectors can assist with the many complaints surrounding housing code issues. Any reduction in work will reduce the number of employees needed to effectively administer this function of the health division (see analysis below).

During the course of every LGBR review, it is the normal practice of the team to evaluate the staffing needs for this function based on the most recent workload. This analysis takes into account the potential workload versus the average work year of an employee after leave time, travel time, and administrative time are factored out. The following chart represents the activity utilized by the review team to conduct the analysis:

Activity	Amount	Average Time Spent on each Activity (Hours)
Food Establishments (Initial)	213	2.5
Food Establishments (Re-inspection)	96	2.0
Bathing Places (Initial)	14	2.0
Bathing Places (Re-inspection)	14	2.0
Youth Camps/Day Care Centers	3	2.0
Complaints	1,329	1.5

Based upon the numbers utilized above, the township would need approximately 2.75 personnel working in this function to deal with the workload. This would mean that the township should have at least one other sanitary inspector on staff. As stated before, however, the review team was not fully confident in the information provided by the division. As a result, we would recommend that the division conduct a full review of this function to determine the appropriate staffing levels based upon the workload to be completed. As stated in an earlier recommendation, any workload that can be transferred from this function will have a positive impact on the number of employees needed to staff this function.

Recommendation:

It is recommended the division conduct a full review of this function to determine the appropriate staffing levels.

Nursing Services

This function provides various health services to Ewing residents including screening for blood pressure, cancer, diabetes, lead poisoning, vision and hearing. This section also provides immunizations and educational programs in conjunction with the health educator.

As stated earlier, a full-time registered nurse and a part-time licensed practical nurse are the employees responsible for this function. The division also contracts with Hamilton Township to provide director of nursing services for 115 hours at an hourly rate of \$70. The total cost was not to exceed \$8,050.

The following table provides a history of the workload for the nursing section over the period 1996 thru 1999:

Nursing Services	1999	1998	1997	1996
Cancer Services	0	33	25	218
Diabetes Screening	1,293	1,427	1,377	1,815
CVD	6,954	3,904	7,369	6,604
Older Adults	7,205	6,974	7,408	5,035
Infant and Pre-school Children	546	958	1,169	1,129
Childhood Lead Poisoning	162	245	266	838
Improved Pregnancy Outcome	285	397	394	350
Reportable Diseases	34	48	24	30
Immunizations	384	719	557	470
Sexually Transmitted Diseases	42	39	36	19

At the time of our review, the township was experiencing sharp declines in services to children. This can be seen especially with the services to infants and children, which have experienced a decline of almost 52% over the four-year period. Additionally, services for child lead poisoning experienced a decline of almost 81% during the same period. Much of these declines can be directly attributed to the implementation of new child and family care programs at the state level. As a result, the township is now offering referrals for many programs as opposed to conducting programs.

Animal Control

As stated earlier, there was only one full-time and one part-time animal control officer during the time of the review, as one of full-time positions was presently vacant. These employees are responsible for picking up stray animals, dead animals, and maintaining the township's animal shelter. The division was in the process of requesting that the part-time employee be made full-time and that a part-time animal shelter manager be hired. Besides the paid employees, the township does receive some assistance with the shelter from local volunteers.

Animal Shelter

The township recently took ownership of an older, abandoned warehouse and opened an animal shelter. During FY 2000, considerable funds were put into repairing and maintaining the building and purchasing equipment for the shelter.

During the course of the review, it became quite clear that the animal shelter was a serious issue and concern for many township residents. People were concerned about the management of the shelter, the amount of money that was going towards the program, and there were accusations about the mistreatment of animals.

Upon reviewing this function, the review team was also concerned about the management of the shelter and the amount of money going towards the program. The review team found little to no evidence of tracing the animals within the shelter and found the employees having difficulty with day-to-day operations of the shelter, while trying to keep pace with the calls from residents requiring animal control services. This was a direct result of the vacancy within the function.

The review team did not see any mistreatment or abuse of the animals, although the review team did feel that the shelter was definitely overcrowded and not adequately cleaned. The health officer's belief that no animal that came to the shelter should be destroyed definitely contributed to the overcrowding of the shelter and its uncleanliness.

It is the opinion of the review team that the township should do everything possible to get out of the animal control business. We feel that there are some significant issues within this function and that it would be difficult for the township to correct the issues and provide an effective animal control function. Additionally, we feel that the township is spending too much money on this function. Consideration should be given to contracting with a private vendor or entering into an inter-local services agreement with another municipality for animal control services. The review team has seen both types of arrangements in other municipalities. We feel this arrangement will provide the township's residents with equal, if not better, animal control service without the associated "headaches."

In trying to estimate the cost to the municipality through contracting or an inter-local services agreement, the review team factored inflationary costs into animal control contracts within its possession. We utilized the highest cost contracts in our analysis, so as to be as conservative as possible. The two contracts we looked at would currently cost each of the municipalities (both of which are approximately 15,000 in population) approximately \$1,210 per month along with some additional fees. As a result, the baseline cost for the year would be approximately \$14,520. Factoring in a high estimate of 25% for additional fees, the total cost of the yearly contract would be approximately \$18,150. Since Ewing is approximately 2.25 times larger than the municipalities we looked at for comparison, we multiplied the yearly cost of \$18,150 times 2.25 to come up with an estimated animal control cost for Ewing of \$40,838. When that estimated cost is compared to the animal control salary, benefit, overtime and miscellaneous other expense cost of \$104,265 (excluding the animal census salary costs), the annual savings to the township could be \$63,427. Not included in this analysis are the animal shelter's building costs (i.e., maintenance and utilities) or equipment purchases.

Recommendation:

It is recommended the township consider contracting for animal control services or enter into an inter-local services agreement to obtain services from another municipality.

Cost Savings: \$63,427

Animal Licensing

During the last four years, an average of 2,719 dog licenses were issued each year. The township presently does not require licenses for cats.

Based upon statistics from the U.S. Pet Ownership & Demographics Sourcebook, Ewing might not be collecting license fees on all of the dogs within the township. According to the sourcebook, the national average for dogs within a community is .534 per household. Applying that average to only the 8,836 single-family units of the township, the township should have approximately 4,718 dogs within its borders. As a result, there are potentially 2,001 dogs not presently licensed. Assuming ½ the potential dogs are identified through more aggressive census efforts, the township could realize an additional \$5,000 in dog license revenue (assuming a \$5 license and registration fee for a spayed or neutered dog).

Similar to dogs, the animal control officers are responsible for picking up stray cats, responding to resident complaints of cats, etc. As such, the township should consider instituting a license and registration program for cats. The above-mentioned standards offer a slightly higher percentage of cats per household (.598) than dogs. As a result, there are potentially 5,284 cats within the township's borders. In estimating the amount of revenue that could be received through a cat licensing and registration program, the review team assumed the same number of licensed cats as dogs (3,720) and the same fee schedule. As a result, the potential revenue to the township to instituting a cat license and registration program would be approximately \$18,600.

Recommendations:

It is recommended the township reassess its animal census techniques to ensure that the municipality is properly licensing all dogs within its borders.

Revenue Enhancement: \$5,000

It is recommended the township consider implementing a cat licensing and registration program.

Revenue Enhancement: \$18,600

RECREATION

Recreation programs, community center activities and senior citizen services all fall under the auspices of the department of community services. The township takes great pride in delivering these services to its residents and is well known throughout the area for providing high quality programs and services. Overall, the review team was quite impressed with the services being provided in this area of the municipal government.

The following chart represents the staffing levels and the FY 2000 salary and benefit costs and other expenses. It should be noted that the department director's salary is paid out of the recreation budget.

Division	Staffing	FY 2000 Salary and Benefit Costs	FY 2000 Other Expenses
Recreation	-1 Superintendent -3 Full-time Employees -Various Part-time & Seasonal Employees	\$214,718	\$25,904
Community Center	-1 Director -Various Part-time & Seasonal Employees	\$87,862	\$27,000 + \$18,859 for Day Care Services
Senior Citizen Services	-1 Supervisor -3 Full-time Employees	\$169,519	\$25,393

Recreation

The township has a recreation commission that is responsible for providing advice about the recreation program. The department director acts as the division's direct supervisor and is in charge of all of the recreation programs and the day-to-day activities of the office. He and his staff are responsible for scheduling all events that take place on township fields and as such, are in constant contact with the parks and recreation maintenance personnel. The overwhelming majority of athletic programs for township residents are provided through separate associations that utilize township facilities. These associations charge fees to cover operating costs, but do not pay any money to the township for utilizing and/or maintaining the facilities.

In breaking down the division's other expenses, it was noted that the township sponsors various programs throughout the year (such as summer camps and athletic programs). During FY 2000, the division spent \$2,243 on equipment rental, \$1,448 on uniforms, \$2,533 on direct sponsorship of programs, \$8,200 on co-sponsorship of programs, and \$8,073 on fees for officials.

Community Center

The township's community center is located on Hollowbrook Drive. The community center is a place that offers many recreational and educational programs to residents of all ages. Within the building, there are classroom areas, meeting areas, a day care facility, a senior meeting center, and a small county library branch. In addition, the county rents space in the building for its head start program and senior meals program, and the College of New Jersey runs a tutoring program for area students.

Community Center - Pool

There is a pool at the community center that is available to township residents during the summer months (nine-week program). According to payroll records, the approximate cost of seasonal employees at the pool was \$18,958. Any resident desiring to utilize the pool must pay a seasonal fee. The fee is \$60 for a family, \$40 for a single adult, \$30 for a senior citizen, and \$25 for a child. In comparing these fees to what has been charged in other communities reviewed by the LGBR program, it is found that the fees in Ewing are quite low. The following chart compares Ewing's pool fees for the summer to two other Mercer County municipalities with municipal pool facilities (residential fees only):

	Ewing	Princeton	West Windsor
Family	\$60	\$200	\$375
Single	\$40	\$95	\$110
Senior Citizen	\$30	\$40	\$80
Child	\$25	\$50	N/A

Recommendation:

It is recommended the township consider increasing the fees being assessed at the pool to ensure that the costs of operating and maintaining the pool on an annual basis are being covered by the pool fees.

Senior Citizen Services

The senior citizen employees are responsible for planning and conducting various programs and activities for township senior citizens that come to the senior meeting center. In addition, the township provides transportation for seniors to various places throughout the township (i.e., shopping, doctor's offices). The township provides both the vehicle and the driver. If transportation is needed outside of the township, the senior citizen must utilize the county transportation system. Besides the salary and benefit cost of the driver, the FY 2000 cost for providing senior citizen transportation was \$12,542 out of a total other expense line of \$25,393.

One of the highlighted programs of the senior citizen program is known as "senior net." Under this program, seniors were trained in the usage of computers and the Internet. A federal grant was received to purchase the computers and volunteers were utilized to conduct the training.

III. COLLECTIVE BARGAINING ISSUES

An area that frequently presents significant opportunities for savings is negotiated contracts. While they represent opportunities for savings, the savings and contract improvements are most likely to occur incrementally, through a well-conceived process of redeveloping compensation packages to be equitable and comprehensive. For this reason we present those issues subject to collective bargaining agreements separately in this section.

There are six labor unions that represent nearly all of the municipal employees. Each of the labor unions have signed contracts with the municipality through June 30, 2002. The following pages represent areas of concern and/or costly provisions found in the various labor contracts. The review team fully understands the “give and take” nature of collective bargaining and understands that the township probably will be unable to implement all of the recommendations. As such, the savings in this section are not counted with recommendations made in other areas of this report. The savings found in this section are classified as “potential savings.”

Union Representation

All of the contracts allow for union representatives to utilize days off to conduct union business. Only the clerical contract, however, clearly defines the number of days available to the union representatives. The contract states that up to five representatives are allowed up to one paid and four non-paid days to conduct union business (although the total days off may not exceed 15 days for the entire group).

In the other contracts, union representatives are allowed “reasonable time” to conduct union business. In addition, in the final year of the contract the EMT representative gets an additional five days off for union business and police representatives get 65 additional “business days” for association business.

Surrounding the issue of “reasonable time,” the review team feels that this type of vague language leaves too much room for interpretation and opens the door for potential conflict between the department managers and the union representatives. Concerning the issue of 65 “business days” in the police contract, the review team feels that this is an excessive clause and should be a main priority of the township to eliminate. Allowing this many people off on association “business” has a significant impact on the staffing levels of the department and could potentially lead to overtime coverage being necessary as a result of a short shift.

Recommendations:

It is recommended that the township try to eliminate the “reasonable time” clause from the contract and replace it with a concrete number of days off per representative. The review team feels that the one paid day and four non-paid days found in the clerical contract is reasonable.

It is recommended the township negotiate to eliminate the 65 “business days” from both of the police contracts as it is seen as excessive to the review team and as it has a negative impact on the staffing levels of the police department.

Sick Leave

Excluding the police unions, municipal employees are given 15 sick days per year. Any unused day may be “banked” for future use or for payout upon retirement. The payout upon retirement is capped similarly to that at the state level.

The two police contracts, however, have a sick leave arrangement unlike that ever seen by the review team. In most instances, police officers are given either 15 days per year and can “bank” any unused days for future use and/or retirement payout or there is an unlimited policy where days cannot be banked or bought out at retirement. Ewing has a combination of the two.

Ewing police officers initially get 251 sick days and then get 12 additional days per year that can be “banked” for future use or retirement. When an officer is sick, he/she must first utilize “banked” days before utilizing any of the 251. If an officer begins utilizing the 251 days, they can be replenished appropriating any other unused sick time to that account. Basically, Ewing police officers are getting the benefit of annual sick leave coverage while receiving additional days to use and/or “bank” for a retirement payout, which is capped at \$14,000.

As a result, the review team recommends that in the next round of negotiations the township try to get either an annual sick leave program where days are not able to be “banked” or utilize a system similar to the other union contracts. LGBR has found that both systems have worked in other municipalities, so long as there are the proper safeguards and controls to limit sick leave abuses. This team favors the unlimited sick leave policy, so long as it is properly controlled, because it affords the officer the time off they may need as a result of sickness or injury while not making the township liable for large payouts upon an officer’s retirement. Whatever option is decided upon, it is recommended the township allow for a review of the program after a one year period with the option to change if it does not work properly.

Recommendation:

It is recommended the township try to renegotiate the contract language surrounding sick leave for police officers.

Call Back Time

The two contracts covering public works and recreation employees allows for a minimum of four hours of overtime whenever they are called back to work. The other contracts allow for a minimum of two hours. LGBR agrees with the two-hour minimum concerning “call backs.”

Recommendation:

It is recommended the township try to renegotiate the contract language in the public works and recreation contracts to change the minimum overtime amount from four hours to two hours, with regard to being called back to work.

Health Benefits

As stated earlier in this report, the township utilizes the New Jersey State Health Benefits Plan (SHBP) to provide comprehensive health benefit coverage to its employees and their dependants. According to documents provided by the township, there were 220 active employees and 60 retired employees receiving benefits. The total cost for health benefits in FY 2000 was \$1,182,420.

Medical benefits have become very expensive over the past few years. As such, many places, such as the State of New Jersey, have instituted cost-sharing initiatives with its employees. At the state level, employees are required to pay a percentage of the difference between the cost of the NJ PLUS plan and whatever plan the employee chooses. Municipalities, however, are not allowed to enter into this type of cost-sharing option. Municipalities can, however, enter into an agreement with employees to share all or a portion of the other than employee portion of the benefit package.

Based upon current SHBP rates (FY 2001) and the distribution of active employees in various health plans, the township is paying approximately \$611,391 more per year to provide health benefits to employee family members. If the township were to successfully negotiate a 10% co-pay on the other than employee health benefit costs, the township would realize a revenue enhancement of approximately \$61,139 per year.

Recommendation:

It is recommended the township consider trying to negotiate a 10% co-pay with employees for the health benefit costs of family members.

Potential Revenue Enhancement: \$61,139

Prescription Benefits

As stated earlier in this report, the township contracts with an outside agency to provide prescription drug coverage to its employees. According to documents provided by the township, there were 275 active and retired employees eligible to receive this benefit. The total cost of the program to the township was \$424,740 in FY 2000 or approximately \$1,445 per employee per year.

Just as health costs have been rising substantially over the past few years, the cost of providing prescription drugs to employees has also increased. Consideration could be given to try and negotiate a cost-sharing with employees as with health benefits, or the township could consider changing its plan to the SHBP and require the employees who utilize the prescription program to pay more out-of-pocket expenses in the form of reimbursements and co-pays.

In just looking at the active employees, it was found that the township could save approximately \$143,172 in prescription benefit costs if it was able to change its prescription plan to the SHBP plan that requires more out-of-pocket expenses from the employees.

Recommendation:

It is recommended the township consider changing its prescription plan to the SHBP plan that requires more out-of-pocket expenses to the employees or negotiate a co-pay arrangement that would cover the difference between the current plan and the proposed SHBP plan.

Potential Cost Savings: \$143,172

Vacation Leave

The amount of vacation leave given to employees is quite generous when compared to the LGBR benchmark of the State of New Jersey (Department of Treasury). The following chart compares the yearly amount of vacation time given to Ewing Township employees to the yearly amount of vacation time given to state employees:

State of New Jersey	Police Department	DPW & Recreation	Clerical & EMT's
0-5 Years: 12 Days	Officers: 21 Days	1-5 Years: 14 Days	1-5 Years: 14 Days
5-12 Years: 15 Days	Sergeants: 22 Days	5-11 Years: 17 Days	5-11 Years: 17 Days
12-20 Years: 20 Days	Lieutenants: 23 Days	11-17 Years: 22 Days	11-17 Years: 22 Days
20+ Years: 25 Days	Captains: 24 Days	17-19 Years: 23 Days	17-19 Years: 23 Days
		19-20 Years: 24 Days	19-20 Years: 24 Days
		20-25 Years: 25 Days	20-25 Years: 25 Days
		25+ Years: 27 Days	

If the township could institute a vacation schedule similar to the state's, it would benefit greatly in the form of additional work production. For example, public works and recreation employees would have approximately two additional days of work per year for the first 20 years of employment. Much greater productivity would be achieved in the area of police.

Recommendation:

It is recommended the township try to negotiate a vacation schedule similar to that utilized by the State of New Jersey.

Longevity

The township should be commended for containing some of the costs associated with longevity payments. The township was successful in all non-police contracts in changing from a percentage-based system to a system based upon fixed amounts. During FY 2000, the township paid approximately \$257,500 in longevity payments to its employees. The following chart represents the FY 2000 longevity schedule for the municipal employees:

Police Department	DPW & Recreation	Clerical & EMT's
5-10 Years – 1.5%	5-10 Years - \$675	5-10 Years - \$825
10-15 Years – 2.5%	10-15 Years - \$875	10-15 Years - \$1,025
15-20 Years 3.5%	15-20 Years - \$1,075	15-20 Years - \$1,225
20-24 Years – 4.5%	20-25 Years - \$1,275	20-25 Years - \$1,425
24+ Years – 5.5%	25-30 Years - \$1,675	25-30 Years - \$1,775
-Will go up .5% in each of the next two fiscal years.	30-35 Years - \$2,075	30-35 Years - \$2,225
	35+ Years - \$2,475	35+ Years - \$2,625

LGBR as a program is opposed to longevity payments, as we would rather see a merit-based system for raises rather than one based solely on how long an employee has been employed. Even so, we realize how difficult it is for a municipality to cut longevity out in total. As such, we recommend at a minimum the township continue negotiating with the police unions to come up with a longevity schedule that is based upon a flat-dollar amount, instead of on percentages. The review team did not estimate the savings for each officer by switching to a flat-dollar longevity schedule. For a point of reference, however, the following chart compares the amount of money a Level V officer (\$70,263 salary) would receive in longevity payments from the police system (based on percentages) and the clerical and EMT system (higher system based upon flat-dollar amounts):

	Police	Clerical & EMT	Annual Difference	Total Difference
Years 5 - 10	\$1,054 (1.5%)	\$825	\$229	\$1,145
Years 10 -15	\$1,757 (2.5%)	\$1,025	\$732	\$3,660
Years 15 - 20	\$2,459 (3.5%)	\$1,225	\$1,234	\$6,170
Years 20 - 24	\$3,162 (4.5%)	\$1,425	\$1,737	\$8,685
Total	N/A	N/A	N/A	\$19,600

Recommendation:

It is recommended the township continue negotiating with the police unions to change from a longevity system based on percentage of salary to a system based upon flat-dollar amounts.

Clothing Allowance

As per the contract, sworn officers receive \$1,025 per year to purchase and maintain their uniforms. During FY 2000, the township paid officers a total of approximately \$83,735. LGBR has found that municipalities that effectively utilize a system of maintaining and replacing uniforms, rather than paying officers a stipend, end up spending between \$250 and \$350 per officer per year. If the township effectively utilized a system of cleaning and replacing uniforms, rather than paying officers a stipend, it would have cost approximately \$27,300 (based upon \$350 per officer). The resulting savings to the township would be approximately \$56,435 per year.

Recommendation:

It is recommended the township try to negotiate eliminating the direct payment to officers for maintenance and replacement of uniforms and replace it with a system where the township is responsible for the maintenance and replacement of uniforms.

Potential Cost Savings: \$56,250

LOCAL GOVERNMENT BUDGET REVIEW ACKNOWLEDGEMENTS

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